Daily Report

Latin America

FBIS-LAT-91-236
Monday
9 December 1991

Daily Report
Latin America

FBIS-LAT-91-236 *9 December 1991*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Castro at Secondary School Students Congress 1
Attends Anniversary Festivities *[Havana Radio]* 1
Comments on Vocational Schools *[Havana TV]* 1
On Importance of History *[Havana Radio]* 2
Closes Congress *[Havana Radio]* 2
Transportation Ministry Reports on Service Cuts *[Havana Radio]* 3
More on Cuts *[Mexico City NOTIMEX]* 3
Cubana Domestic Flight Schedule Reduced *[Havana Radio]* 3
More on Changes *[Havana Radio]* 4
Commentary on Results of Rio Group Summit *[Havana Radio]* 4
Aldana To Speak at Ecumenical Council Meeting *[Havana Radio]* 5
Archbishop Advocates Christmas Celebration *[Madrid EFE]* 6
Consequences of U.S. Recession Examined *[Havana Radio]* 6
Construction Workers Complete Dam in Holguin *[Havana Radio]* 7
UN Seeks Permanent Settlement of Haitians *[Bonaire Radio]* 7
DPRK Workers Party Delegation Arrives *[Havana TV]* 8
Cooperation Agreement Signed With PRC *[Havana Radio]* 8

Inter-Caribbean Affairs

Further on Countries Accepting Haitian Refugees *[CANA]* 8

Antigua and Barbuda

Haitians Accepted as 'Humanitarian Gesture' *[CANA]* 8

Dominican Republic

Balaguer Signs Agreement With EC Official *[Santo Domingo Radio/TV]* 8

Haiti

OAS Mission Chief Arrives, Interviewed *[Port-au-Prince Radio]* 9
Parliament Rejects Proposed Prime Ministers *[Bonaire Radio]* 10

MEXICO

Salinas on Fight Against Human Rights Abuses *[Mexico City TV]* 11
Human Rights Commission on Killing of Policemen *[NOTIMEX]* 11
Requests Investigation *[NOTIMEX]* 11
Issues Recommendations *[Mexico City TV]* 12
General Replaced Following Human Rights Report *[Mexico City Radio]* 12
Defense Secretary on Veracruz Incident *[Mexico City Radio]* 13
Attorney General Responds to CNDH Report *[Mexico City Radio]* 14
* PRI Restructuring Started in 16 States *[LA JORNADA 8 Nov]* 14

CENTRAL AMERICA

El Salvador

Assembly President Comments on 8 Dec March *[San Salvador TV]* 16
ARENA Urges Citizens To Join Peace March *[San Salvador Radio]* 16
'Thousands' March in Support of Government, Army *[Panama City ACAN]* 16
Cristiani on Cease-Fire, Peace Talks, Truce *[San Salvador Radio]* 17
Government Accepts Offer To Continue Talks *[Panama City ACAN]* 18
Guerrillas: Government, Army Slow Peace Talks *[Mexico City NOTIMEX]* 18
FMLN Urges Government To Declare Cease-Fire *[Radio Venceremos]* 18
Santamaria Says Negotiations Advancing *[AFP]* 19
FMLN Welcomes UN Secretary General's Offer *[AFP]* 19

Guatemala

Serrano Names Defense Minister, Chief of Staff *[Panama City ACAN]* 20

Nicaragua

Daniel Ortega on Regrouping Sandinists *[BARRICADA 30 Nov]* 20
INDERA Takes Over Regional Government House *[EL NUEVO DIARIO 3 Dec]* 22
Groups Seek Rivera's Dismissal *[Managua Radio]* 22
Captured 'Recompas' Identified as EPS Members *[Managua Radio]* 23
* Commentary on Formation of Municipal Police *[BARRICADA 2 Nov]* 23
Mayors Address Letter to UN Envoy *[Managua Radio]* 24
Daniel Ortega Comments on Managua Mayor *[Managua Radio]* 24
Joint Commission Concludes Work on Property Law *[EL NUEVO DIARIO 6 Dec]* 25
Government To Renegotiate Paris Club Debt *[BARRICADA 5 Dec]* 25
Government Signs Economic Aid Agreements *[Managua TV]* 26

Panama

Foreign Ministry on U.S. Violation of Airspace *[Panama City TV]* 26
Editorial Critical of Violation *[LA ESTRELLA DE PANAMA 7 Dec]* 26
Plane Receives Bomb Threat, Forced To Land *[Panama City Radio]* 27

SOUTH AMERICA

Argentina

Joint Fishing Communique Released With UK *[TELAM]* 28
Tax, Pension Reform Bill Sent to Congress *[BUENOS AIRES HERALD 6 Dec]* 28
Menem To Ask Adviser To Resign in 'Milkgate' *[BUENOS AIRES HERALD 7 Dec]* 29

Bolivia

Acting President Rules Out Armed Forces Cuts *[La Paz TV]* 29
Armed Forces Commander on Cuts *[La Paz TV]* 29
Banzer Nominated as Presidential Candidate *[Madrid EFE]* 29
Cochabamba Peasants Suspend Coca Eradication *[Madrid EFE]* 30
'Foreign Meddling' in Army Exercises Disallowed *[La Paz TV]* 30

Brazil

* Collor Approves Investments for Infrastructure *[GAZETA MERCANTIL 1 Nov]* 31
* Viability of Mercosur Integration Questioned *[GAZETA MERCANTIL 2-4 Nov]* 32
* USP Seeks Contracts With Soviet Scientists *[O ESTADO DE SAO PAULO 12 Nov]* 33
* Renegotiated Oil Contract With Iran Discussed *[GAZETA MERCANTIL 12 Nov]* 33
* Oil Drilling Contract With Cuba Negotiated *[O ESTADO DE SAO PAULO 5 Nov]* 34
* Changes in Policy Toward Middle East Observed *[GAZETA MERCANTIL 13 Nov]* 34
SAE Preparing Nuclear Policy Bill *[FOLHA DE SAO PAULO 3 Dec]* 36

Chile

Terrorist Groups Announce More Intense Actions *[EL MERCURIO 23 Nov]* 36
Hungarian President Discusses Expansion of Ties *[Budapest MTI]* 37
Urges Political Prisoner Release *[Santiago TV]* 37
Goncz Meets Press, Departs *[Budapest MTI]* 37
Envoy to Moscow Denies Mediation for Honecker *[Madrid EFE]* 38

Colombia

Coffee Production Agreement Reached With Brazil *[Santa Fe de Bogota TV]* 38
Group Established To Protect Venezuela Border *[EL TIEMPO 29 Nov]* 39
Oil Pipeline Near Ayacucho Station Blown Up *[Santa Fe de Bogota TV]* 39
Army: FARC Attacked Judicial Commission *[Madrid EFE]* 39
FARC Claims Responsibility for Umse Killings *[Mexico City NOTIMEX]* 40
Government Minister Conditions Talks Resumption *[Santa Fe de Bogota TV]* 40
Military Forces on 'Maximum State of Alert' *[AFP]* 40
More on 'Maximum Alert' *[Santa Fe de Bogota Radio]* 41
Guerrillas Deny Terrorism Escalation Rumors *[AFP]* 41
M-19 Alliance Meets To Discuss Party Changes *[Santa Fe de Bogota Radio]* 41
Democratic Alliance Rejects Economic Policy *[Santa Fe de Bogota TV]* 42
Communist Militants Criticize, Quit Party *[EL TIEMPO 21 Nov]* 42

Ecuador

Hungarian President Arrives for Visit *[Hamburg DPA]* 43

Paraguay

President Departs for Cartagena; Views Election *[Asuncion TV]* 43
Rodriguez Returns From Cartagena *[Asuncion TV]* 44
Rodriguez Comments on Extending Presidential Term *[NOTICIAS 3 Dec]* 44
President Rodriguez' Drug Connections Viewed *[Montevideo BRECHA 6 Dec]* 45
Rio Group Pressures Against Cuba Opposed *[HOY 29 Nov]* 51
Rodriguez Installs Garcete as Army Commander *[ULTIMA HORA 27 Nov]* 51

Peru

Fujimori, Congress Relations 'Worsened' *[Madrid EFE]* 51
Fujimori Criticizes Congress for Opposing Decrees *[Lima TV]* 52
Congress Issues Six Laws, Approves Agreements *[EL COMERCIO 22 Nov]* 53
Foreign Minister Comments on Cartagena Meeting *[Lima TV]* 53
Foreign Minister on Fujimori-Borja Meeting *[Lima TV]* 54
Decree Privatizing Public Schools Criticized *[LA REPUBLICA 20 Nov]* 54
Decree Restructuring Police Amended *[EL COMERCIO 21 Nov]* 54
Mobilization Law for Emergencies Outlined *[LA REPUBLICA 13 Nov]* 54
Law 'Endangering' IMF Agreements Approved *[Madrid EFE]* 55
Government Bans Fishing Monopolies *[EL COMERCIO 14 Nov]* 56

Venezuela

Perez Comments on Economic Measures *[Caracas TV]* 56
Perez Rejects Rumors of Cabinet Changes *[Madrid EFE]* 56
Politicians Comment on Renewed Violence *[Caracas TV]* 57
Cuban Professor Requests Political Asylum *[Madrid EFE]* 57

Cuba

Castro at Secondary School Students Congress

Attends Anniversary Festivities

FL0612221491 Havana Radio Reloj Network in Spanish 2032 GMT 6 Dec 91

[Text] Every birthday has to have a cake, and the FEEM [Federation of Secondary School Students] has celebrated its day with meringue flowers instead of 21 little candles. The cake was cut today by Commander in Chief Fidel Castro during a recess of the FEEM Congress sessions. The huge cake was set up in the central lobby of the Palace of Conventions where it was cut by the first secretary of the Central Committee, with the assistance of FEEM President Barbara Cumplido.

Fidel and Barbarita also toured an exhibit of the experiences and efforts on the embellishment of public facilities by the Camilo Cienfuegos Brigade of fine arts students of the San Alejandro School. The exhibit is entitled with our commander's phrase: Che; he did not get to know you, but he imagined you. The exhibit demonstrates how art can respond to the demands of life and society, and that aesthetic pleasure and utilitarian purpose are not in conflict.

Comments on Vocational Schools

FL0712023291 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 7 Dec 91

[Excerpts] This afternoon, the Federation of Secondary School Students [FEEM] Congress continued its plenary working sessions. Representatives of pre-university institutes for the exact sciences spoke. They talked about how they, as other types of schools, have also undertaken initiatives in agriculture. They are implementing self-sufficiency programs in their schools. [passage omitted]

The teachers' training schools also were represented through a speech delivered by a delegate from Cienfuegos.

[Begin recording] [Unidentified delegate] We agree, and I want everyone to know that the students agree and approve the resolution, that a teacher who has faulty spelling, who makes spelling mistakes, should not graduate.

[Fidel Castro] I am a most convinced supporter of everything that can be done to promote good spelling. I think it is an expression of people's education and training. I know very intelligent people, and even people who are very prominent in their professions, who unfortunately make spelling mistakes. This is a sign that they lack some training, some education about the means, the instruments, for having good spelling. [end recording]

There were moving moments during this afternoon when several delegates expressed their satisfaction at having the privilege of this close encounter with Fidel. Thus, they did not miss the opportunity to show him that the FEEM members are with him and the revolution. [passage omitted]

[Begin recording] [Castro] I have a great interest in vocational schools, and I think vocational schools can play a great role. We are so aware of this that before the special period began, we drew up a national program for building more than 150 schools. I think we were going to build almost 200. We started the program before all these calamities happened. If there is something that I am really sorry about, it is that after having drawn up this program and begun a number of schools...[changes thought] I do not know how many have been completed.

[Education Minister Luis Gomez] Right now, eight are being completed. There are 15 under construction.

[Castro] Fifteen. How many were there altogether?

[Gomez] The complete plan was for 89, including the remodeling. The plan that had been drawn up for...

[Castro, interrupting] But how many vocational schools were there going to be in all? Because we studied that time at that FEEM meeting at the Palace of Conventions how many schools there were in good condition. They told us about the ones in Camaguey. They told us about the others. I think that our educational system is incomplete if we do not complete the vocational schools. Today, the ones we have, where they are, should be given all the attention they can be given and all the help they can be given. Because what the delegate has said very clearly is related to what I said yesterday, that we have to train manual workers, manual workers. [repeats] The vocational schools are where manual workers are trained, par excellence. In addition, many comrades who may have had problems at some time have been left outside the system. What are we going to do with them if we do not have vocational schools? I think there are 22,000 students in vocational schools.

[Gomez] There are 22,000.

[Castro] What was our plan?

[Gomez] Well, right now, Commander, we have capacity for 30,000. We can even better use what we have. We are now providing equipment for 27 workshops at different schools. However, there are about 20 schools where we do not have a place for the workshops. But we can also combine this with the polytechnical schools. Many things can be done with the support of the Municipal People's Governments.

[Castro] You can assure them that we have a high opinion of vocational schools, and we count on them. We are aware of the need to do everything possible to develop those institutions. [applause] [end recording] [passage omitted]

On Importance of History

FL0712025891 Havana Radio Rebelde Network in Spanish 0000 GMT 7 Dec 91

[Text] Many things happened on the second day of work of the Eighth FEEM [Federation of Secondary Schools Students] Congress, because the young delegates do not miss a chance to dedicate poems and songs to Fidel, or request that he sign their FEEM vanguard banner, or something so beautiful as to request to shake his hand or give him a kiss.

A delegate from Santiago de Cuba presented an album to Fidel with 20 pictures of Fidel's school days at the Dolores School in Santiago de Cuba. Fidel leafed through it, found himself in the group portrait, and then chatted with the youths on the subject of history.

[Begin Castro recording] We have discussed here the issue of history. I agree with what the young comrade said. First of all, we must know the history of Cuba because the history of Cuba is very beautiful, very rich. Besides, with all the crises experienced by the revolutionary movement, we must know how to integrate the history of our country with the history of the revolutionary movement, which we should never ever renounce. We are part of that revolutionary movement, of that history. Today we are the flag bearers of that revolutionary movement.

I agree that we need to give our history its proper place, but we should also try to understand the general culture. We should try to know world history. The emphasis that we might put on Cuban history should not make us not know, for example, the history of Latin America to which we also belong. Of course, it might also be that contemporary, classic, and especially European history, as the comrade said, has been given too much weight; yet we should not ignore it. We must know as much ancient history as possible. Of course, history should not be learned in the schools and the books alone.

During a meeting we had with the FEEM, we decided that there should be an edition of historic works of value, and that every youth should someday have access to it in the libraries, because right now we cannot afford to have one in every home. We should have books on ancient history, Roman history, Greek history, but also the history of India, of China, the history of every country. Because Western writers recorded their own history, but left out the history of the rest of the world. [end recording]

As you heard, we have to know the history of Cuba, but we also need to know the history of everything else around us. It was also mentioned that we need to concentrate on spelling; it is necessary that the students and their teachers check their spelling.

The closing session of the Eighth FEEM Congress will be held tonight when the new FEEM Secretariat will be announced.

Closes Congress

PA0712205891 Havana Radio Havana Cuba in Spanish 1401 GMT 7 Dec 91

[Report by Isis Maria Allen]

[Text] As it has already been reported, Cuban President Fidel Castro on the night of 6 December closed the Eighth Congress of the Federation of Secondary School Students [FEEM] held at Havana's Palace of Conventions over the past two days.

In his speech, Castro highlighted the awareness, enthusiasm, determination, and fighting spirit of the more than 1,000 delegates who represented the federation's more than half a million student members. The Cuban leader assessed the country's current situation and the great sacrifice that all Cubans must make to save the homeland, the revolution, and socialism.

[Begin Castro recording] We are willing to sacrifice ourselves for one, two, three, or even five years because we know that we stand for freedom, independence, revolution, socialism, justice, and the future, for which we are struggling. All we want is to preserve our right to this future. To those weaklings and cowards and with mercenary souls, those who never felt any (?responsibility) toward the homeland, who never harbored the concept of justice in their minds and hearts, those who say that the struggle holds no future, we have to say that the only thing without perspective is not to have a homeland, a revolution, or socialism. [applause] We would rather die than be left without a homeland. We would rather die than be left without revolution and socialism, because the alternative is moral death, the most terrible of deaths. [applause] To those weaklings and turncoats, we must make felt our language and our firm, unshakable action. [end recording]

In his speech, Castro denounced the hypocrisy of the U.S. Government, which speaks of human rights and at the same turns the Guantanamo Naval Base into a concentration camp for Haitians.

[Begin Castro recording] What a hypocritical empire! It speaks of human rights and international law, but at the same time it turns the naval base in illegally occupied Cuban territory into a concentration camp for Haitians. [end recording]

Castro said that all this is the result of the international situation, which has provoked elation among the Yankee imperialists, who consider themselves the benefactors of the world. He also said:

[Begin Castro recording] As you said, our homeland is the hope of this world. What true revolutionaries—those who have not let themselves be deceived—desire most ardently and what we are told everywhere in the world is that we must resist. The world wants us to resist. [applause] Many people in Latin America and the world have told us: You people must resist. The greatest tragedy for the Third World would be for Cuba to be unable to resist. This is what the

tens of millions of our friends and admirers everywhere in the world keep telling us. Delegate comrades, never so much responsibility, honor, and glory befell a people. This congress reaffirms our conviction, hope, and faith in victory. You said that our country would never be defeated, that the revolution would never be defeated. On seeing and listening to you, I reaffirm my conviction that a people like this, a country like this, youths like these, and students like these can never be defeated. [applause] [end recording]

Transportation Ministry Reports on Service Cuts

FL0712015991 Havana Radio Rebelde Network in Spanish 0000 GMT 7 Dec 91

[Text] I have here a report from the Ministry of Transportation that reads as follows:

As periodically reported to our people, transportation services have been experiencing deep reductions due to the lack of supplies, spare parts, and fuel. Despite the immense efforts conducted by the government, by October, national bus routes had experienced a 40.5 percent reduction and national railroad routes 38.4 percent. The short-term forecast is that we will be forced to implement further reductions. Typically, interprovincial travel increases dramatically at the end of the year and in January, but we must inform you that it will be impossible to increase the current program of national buses and trains, or add extra departures on either system. In light of this, we request your understanding to avoid unnecessary congestions at bus terminals, railroad stations, and travel agencies, and therefore avoid the resulting inconveniences and problems to other citizens.

We believe it is necessary to remind our people that the special period requires a high degree of understanding of the reductions to these services, and also demands from transportation managers and workers a higher degree of professionalism at work to avoid increasing the difficulties that have been imposed on us.

For this reason, it is also necessary to suspend the benefits currently enjoyed by transportation workers regarding free usage of these services, especially during the times when the demand increases, which are July, August, and December.

Signed: Ministry of Transportation.

More on Cuts

PA0812032991 Mexico City NOTIMEX in Spanish 1657 GMT 7 Dec 91

[Text] Havana, 7 Dec (NOTIMEX)—The Cuban Transportation Ministry has ordered a 40 percent reduction, beginning 7 December, of urban transportation and railway service, and has announced additional reductions for the upcoming months because of a lack of fuel.

The ministry added that in view of the fuel shortage and lack of a budget it will be impossible for the government to increase bus and train runs for the December vacations, when the demand for interprovincial trips increases, the ministry added.

It stated that the measure stems from reduced availability of fuel shipped from the former USSR.

In an official note issued last night via the NATIONAL INFORMATION AGENCY, it reminded users that the special period during a time of peace, which was imposed in August 1990, "demands a maximum degree of understanding" toward the effects on these services.

"It also demands from transportation leaders and workers a higher degree of professionalism in fulfilling their duties to avoid worsening the difficulties that have been imposed on us," the ministry added.

The measure also restricts the benefit that transportation workers had enjoyed of using this service for free.

Over the past two months, the government of Fidel Castro has reduced interprovincial transportation and transportation within the capital, train runs to the provinces, and national airline flights.

On 19 November, Cuban civil aviation was included in the measures imposed on the island's means of transportation, which are facing difficulties as a result of a lack of fuel.

Cubana de Aviacion has canceled several national flights scheduled in December.

Cubana Domestic Flight Schedule Reduced

FL0612221891 Havana Radio Rebelde Network in Spanish 0000 GMT 6 Dec 91

[Report by Julio Gomez on the "Exclusivo" program—live]

[Text] [Gomez] We are in the Traffic Department of Domestic Flights of Cubana de Aviacion at Jose Marti International Airport, where we are going to inform you of the new flight schedules for Cubana de Aviacion. We believe this information is important for our listeners so they do not arrive en masse at Jose Marti International Airport, because there have been some cutbacks. All of you know the fuel situation.

We have here with us Comrade Rafael Victoria Leiva, tonight's shift supervisor for traffic, who is going to provide this information. This information is on the "Exclusivo" program on Radio Rebelde, of course. Good evening.

[Victoria] Good evening. Beginning today, there will be new schedules for domestic flights:

Santiago de Cuba flight 984 at 0600, and 986 at 1530 daily; flight 2986 at 1445 exclusively on Sunday.

Gerona flight 700 at 0650 daily; 702 at 1215 on Tuesdays, Wednesdays, Thursdays, Saturdays, and Sundays; 706 at 1930 daily; 708 at 1300 on Mondays and Fridays. Those are the Gerona flights;

Flight 952 at 1110 every day except Friday, 754 at 1800 on Mondays and Thursdays, 1952 at 1215 on Saturdays. Those are the Camaguey flights;

Flight 804 from Camaguey to Santiago at 2345 on Mondays, 804 Camaguey 2000 on Saturdays, 772 from Holguin to Moa at 0905 Mondays and Fridays; 776 to Holguin at 0905 on Tuesday, Wednesday, Thursday, and Sundays; 978 to Holguin at 2040 daily, and 1978 to Holguin at 1600 on Mondays;

Guantanamo flight 720 at 0615 daily, 806 from Guantanamo to Baracoa at 1200 on Mondays and Saturdays; 710 to Las Tunas at 0710 on Tuesdays, Thursdays and Saturdays; 712 to Manzanillo at 0710 on Wednesdays and Sundays; 714 at 0930 Mondays and Saturdays; 716 to Ciego de Avila at 0710 on Fridays.

[Gomez] We thank Rafael Victoria Leiva, shift supervisor for domestic traffic, for this important information. Once again, we are at the Traffic Department for Domestic Flights at the Jose Marti International Airport. Reporting for "Exclusivo" on Rebelde, this has been Julio Gomez.

[Announcer] Julio, please, Julio, when he named Camaguey, he did not give the schedule. I believe the people from Camaguey will be a little lost. He began by saying Santiago de Cuba and then he read the schedule.

[Gomez] Very well, let us check Camaguey's schedule. We are interested in Camaguey's schedule.

[Victoria] Camaguey will continue operating Flight 952 at 1110 Monday, Tuesday, Wednesday, Thursday, Saturday, and Sunday. The difference is that Flight 1952 is at 1215 on Saturdays. Flight 754 will continue to operate at 1800 on Mondays and Thursdays.

[Announcer] Julio, I was thinking that later on, or maybe tomorrow, we could repeat the schedule. Perhaps we could name the flights that have been canceled, because it seems to me that it is a bit difficult for our listeners to be able to catch all this so quickly, all the flights that are left. What we need is to mention the flights that have been canceled.

[Gomez] Then we are going to give more information tomorrow on the flights that were canceled, in some areas, so that our listeners will have that information. Tomorrow, then, we will have more precise information on the flights of Cubana de Aviacion from Jose Marti International Airport. Thank you very much.

More on Changes

FL0712030491 Havana Radio Rebelde Network in Spanish 0022 GMT 7 Dec 91

[Julio Gomez report on the "Exclusivo" program]

[Text] Here I have everything we said we were going to have, or what we had promised for today. Cubana de Aviacion has announced its new flight schedules with some changes. In reality, there has been a reduction of 11 flights leaving from Havana and all the flights from Santiago de Cuba. That is, there is no basis for the flights from Santiago de Cuba on the YAK-40, which was taking the flights from Santiago de Cuba.

For example, flights to Santiago de Cuba have not been affected. A new flight has been added, which is on Sundays at 1440 with an IL-62. Gerona has lost two flights, Tuesdays and Fridays at 1215. This was a regular flight at 1215 on Tuesdays and Fridays, flight 702, that no longer exists. Camaguey has lost a flight on Fridays at 1110 and has added a 1952, an IL-62, on Saturdays at 1215. Ciego de Avila has lost a flight. It is left with flight 716 at 0710 on Friday, exactly. So that is the schedule; 0710 on Fridays is the only flight to Ciego de Avila.

Holguin-Moa, 772 at 0905 on Mondays and Fridays. So it has lost one flight. Havana-Holguin has lost three flights. It operates on Mondays, Fridays, and Saturdays at the same time; that is, the same time as before, always. Guantanamo-Baracoa has lost one flight. The flight on Wednesdays at 1200 now leaves on Mondays and Saturdays. So the Wednesday flight no longer exists. Havana-Bayamo has lost one flight. The flight leaves on Mondays and Saturdays at 0930 with flight 714. So it has lost...[rephrases] There were flights on Mondays, Thursdays, and Saturdays, and now it is only Mondays and Saturdays for flight 714 at 0930. Havana-Manzanillo has lost one flight. Flight 712 now operates on Wednesdays and Sundays at 0710.

I repeat, a total of 11 flights leaving from Havana have been cut, and all the flights of the YAK-40 leaving from Antonio Maceo International Airport in Santiago de Cuba have been eliminated. For more information, we are going to leave this information with the Radio Rebelde newsroom so that you can find out the details about the reductions in flights, which as you know, have a lot to do with the reductions in fuel in our country.

Commentary on Results of Rio Group Summit

PA0612184691 Havana Radio Havana Cuba in Spanish 0100 GMT 5 Dec 91

["Our America" commentary read by Urbino Amaya]

[Text] The Group of Rio summit has concluded in the Colombian city of Cartagena with an appeal to the industrialized countries to set aside their protectionist policies and with an agreement to continue promoting cooperation and integration in the area. Thirteen chiefs of state from the region attended the summit.

The final declaration states that the industrialized countries must eliminate the protectionist barriers that block exports in the hemisphere, because such unilateral policies represent a serious threat.

Generally speaking, the Group of Rio presidents reaffirmed the position that regional integration, including the steps some countries are taking in this direction, is

what is needed to reach a free trade agreement in Latin America and the Caribbean by the year 2000. The objective of turning the hemisphere into a free trade area by the year 2000 may sound ambitious, but several countries are already implementing policies aimed at favoring a broad regional integrtion process.

In this regard, we can point to the countries that compose the Common Market of the South—Argentina, Brazil, Uruguay, and Paraguay. They are already implementing custom tariff reductions with the intention of having a completely open market by 1995.

The chiefs of state of the Group of Rio have said with moderate optimism that Latin America could be able to pull out of its somber inflation-recession situation and march on a new economic road despite the faint expansion rhythm of in world commerce today.

The final document notes that the foreign debt problem persists, and that this is why the region continues to forward net financial resources.

In addition to discussing economic problems, the presidents decided to cooperate in the struggle against the production, traffic, and consumption of narcotics. They pointed out, of course, that it is necessary to implement the principle of shared responsibilities between the countries that import the product and those that export it.

The participants at the Cartagena summit also discussed the protection of the environment. It was noted that it is necessary to establish a new development model that would permit adequate ecological protection.

After stating support for the work that Mexico, Canada, and the United States are carrying out to sign a free trade treaty, the presidents of the Group of Rio said with regard to the Initiative for the Americas, a U.S. proposal aimed at establishing a free trade zone in the hemisphere, that some matters of foreign debt, commerce, and investment must still be discussed with Washington. They will wait and see if the plan is approved by the U.S. Congress.

The presidents of the Group of Rio also discussed the situation in Haiti and Cuba. With regard to Haiti, they decided to intensify the economic embargo and to exclude the use of force or a military intervention. Regarding Cuba, the decision to respect the people's right to self-determination prevailed.

The Group of Rio summit reaffirmed the position on regional free trade and integration. It can be said in this regard that Latin America is marching firmly on the only road leading out of the crisis affecting us.

Aldana To Speak at Ecumenical Council Meeting

PA0612184791 Havana Radio Havana Cuba in Spanish 0000 GMT 5 Dec 91

[Report by Estrella Diaz]

[Text] The church's role in promoting a more humane and just society will be the main topic of the international meeting between the church and Cuban people, promoted by the Ecumenical Council. The event will begin on 9 December in Havana.

Almost 80 believers from the United States, Canada, and the Caribbean, and about 100 Cuban delegates will participate in the forum, which will continue through 12 December. Conferences will be held during the four days of the meeting in addition to a panel discussion titled: The Kingdom's Plan for the Church and Society.

The organizers have invited Carlos Aldana, secretary of ideology of the Cuban Communist Party Central Committee, who will speak about Cuba, its reality, and perspectives. The forum has three general objectives:

To help Cuba's churches in the biblical and theological analysis of their mission in light of the present challenge;

To support Cuba and its church within the continent's historical and mythological context in the areas of life and death; and

To define the means by which to strengthen and improve the dialogue and relationship between governments and churches across the continent, especially with the U.S. Government.

Given the importance of this third objective, we spoke with Reverend Orestes Gonzalez, president of the Cuban Ecumenical Council.

[Begin recording] [Gonzalez] Relations between Cuba and other governments have improved during the last few years, especially with Latin American governments. There are only a few countries with whom Cuba has no relations. We as Cubans, however, do not yet feel happy with integration or with Cuba's situation in Latin America in general. We believe the churches in Latin America have a role to play in integrating Cuba with the rest of the peoples and the governments of Latin America. We are especially concerned about the Cuban Government's relationship with the U.S. Government.

We are going to explain that we have suffered a blockade for over 30 years that no longer includes only such human things as medicine and food but also includes human relations. For that we describe the blockade as inhuman and anti-Christian.

We have maintained important exchange relationships with churches in the United States, which have been very useful. These exchanges have been affected lately, however. Cubans cannot get visas to travel to the United States—especially members of the clergy—and the United States creates obstacles to prevent our brothers from U.S. churches coming here. This is something we believe should be corrected, because relations between churches are very important.

Although we cannot blame all our problems on the U.S. economic blockade, as there are other conditions that

affect the economy, we do believe the blockade has an important impact on the Cuban economy.

[Diaz] Reverend, I understand the second objective is to define the means by which to strengthen and improve dialogue and the relationship between churches across the continent, especially with the United States. Is this the church's position against the blockade?

[Gonzalez] Of course. But this is not only our position against the blockade. It is the church's position to search for a solution. Many times, when one is against something, one is also looking for a way to solve the problem. We are not just saying that we are against the blockade; we are also saying we are ready to try to find a solution to the problem.

This is the most important thing. We want our brothers from all across the continent, but especially those from the United States, to accompany us in our quest for a solution.

[Diaz] Can it be drawn from what you say that relations between Cuban believers and U.S. believers, in this case, are good?

[Gonzalez] Magnificent. Our relations are very good. We have evidence that this is so among the church parish members—the masses as we call them here—not only the leaders and hierarchy. But, as they know very little about us, we want them to hear about our church's life and our people's life in general. They will learn that we live a Christian life here in Cuba, just as any other Christian, and more so, because we want a more just and humane society.

We want them to understand that their solidarity, comprehension, and participation in our day-to-day projects will help us to live and build a better life and a better society. This is true here and there, because we do not believe we are the only ones who need help. We know, and they agree, that they need our experience, our bible readings, and our point of view on social and political problems. They have confessed that they expect a great deal from our contribution to the church's life on this continent. [end recording]

It is evident that all sectors of Cuban society are involved in improving their social system. Of course, we are taking into account those who practice some sort of religious cult activity when we say people from all sectors. This is because the fatherland is one and only unity will carry it forward.

Archbishop Advocates Christmas Celebration

PA0712010691 Madrid EFE in Spanish 1450 GMT 6 Dec 91

[Text] Havana, 6 Dec (EFE)—In a pastoral letter published in the December church bulletin of the diocese entitled "The Voice of the Bishop" that is circulating in the city, Archbishop of Havana Jaime Ortega advocates the celebration of Christmas in Cuba.

"I have never been able to agree that to write about Christmas in Cuba one has to use the past tense of the verb. I have never been satisfied with any explanation about the elimination of Christmas in my country, because the people need the traditions that bring together the family," Archbishop Ortega writes.

According to the bishop, "the organization of (Cuban) society does not enable us to observe the beautiful Christmas tradition." He was referring to the elimination of these religious festivities by the regime of Cuban President Fidel Castro following the triumph of the revolution in 1959.

In his letter, Ortega reminds the faithful that the Christmas meals in Cuba were served with local products (beans, yucca, orange sweets) and that Cubans preferred the Three Wise Men to Santa Claus as the ones who bring toys for the children, adding that "later, there no longer was Christmas or the Wise Men."

At present, he points out, "there are no school vacations, the vacation period between Christmas and the festivities of the Three Wise Men [6 January]" has been eliminated, and celebrations only take place now on 1 January, not because it is New Year's Day, but because it coincides with the victory of the Castroite 1959 revolution.

"It is not the absence of good food what we will miss (that will be lacking anyhow due to the crisis in Cuba), or the nostalgia for those who write these lines, it is the spiritual scarcities of our families what we will miss," said Msgr Ortega in his letter, which he signs off by wishing the faithful a "Merry Christmas."

Consequences of U.S. Recession Examined

FL0612220691 Havana Radio Rebelde Network in Spanish 1255 GMT 6 Dec 91

["Our Opinion" commentary read by Orlando Contreras—monitored in progress]

[Text] ... This does not mean it will produce a collapse, far from it. These kinds of commentaries are childish and if I comment on this subject today, it is strictly due to the repercussions this moderate U.S. recession has on the Third World.

Bush himself, reluctant to acknowledge the resession, obvious to economists, announced an acceleration of billion dollar payments in an effort to inject vitality into the economy, together with an affirmation, according to AP, that the economic growth is slow; the people are unemployed; the country needs to recuperate; and the people need to find work.

In reality, many U.S. political analysts warn, in Bush's words, of an electoral response, since only one year remains until the presidental elections, and Bush has lost a dangerous amount of ground. This, even when there is no strong Democratic candidate and, in the Republican

Party, the only person to announce his candidacy against Bush is a neo-Nazi from the Ku Klux Klan.

Meanwhile, according to official statistics, unemployment in the United States is on the rise and the first to be affected are immigrants and blacks, particulary youths. According to U.S. news agencies, with the recent celebration of Thanksgiving, consumers did not spend money in stores and supermarkets, as in prosperous years, and something similar is happening this month for the end-of-the-year holidays.

The auto industry, which has been linked with the prosperity of the U.S. economy for more than half a century, has responded with new layoffs, which affect almost all northeast industrial workers as a result of weak sales. The bankruptcy of the most venerated U.S. airline company, Pan Am, in the last few days is a dramatic alert for that sector and a reflection of the times.

The fundamental problem seems to be based on the fact that the United States continues to consume more than it produces, and what it produces is more and more expensive and of questionable quality. This explains the folding of U.S. industries when faced with competition from Japan and emerging countries. This also explains Bush's forecast of an end to protectionism for the Third World, while the U.S. economy continues being protected by tendencies to reinforce this practice.

Changing subjects, the economic [word indistinct] and U.S. finances reveal to any objective observer the double standard which is used by the IMF and the World Bank. From the rest of the world, particularly the abused Third World, they demand the cutting of public spending, balanced budgets, trade balances [word indistinct], and surmountable; but the United States, the country with the most debts in the world, with a chronic trade deficit—they buy more than they sell—with astronomical military and intelligence expenses, the IMF and World Bank do not require anything from them.

I said at the beginning of this commentary that the recession in the United States does not affect its population the same way as recessions do in the Third World. With inequality institutionalized by the system on a world level, a sneeze in the First World is pneumonia or a cancer in the Third World.

But even though that is the way it is, we cannot ignore the fact that there continue to be more poor people in the United States. A report this year, prepared by a UN office, reports the following: Millions of people in the United States are outside the current national prosperity achieved over the past 25 years. The U.S. Census Office—I am citing a UN Development Program [UNDP] report—annually calculates the poverty level. The statistics do not reflect the anxiety of parents living in the United States, in a precarious situation, on the edge of survival, or the anguish of hungry and poorly dressed children who are not prepared to face the responsibilities of adulthood. Neither do U.S. statistics indicate the poverty process, how it grows and is sustained. It serves as the base for one of the fundamental questions.

According to the UNDP report, U.S. statistics indicate that 38 percent of 32 million poor—other statistics raise the number to 36 million—live in families whose total income does not reach even half the poverty level. The report says this percentage is increasing.

I do not have time for further details. It is enough to say that according to statistics from the United States itself, the majority of the poor are among blacks—38 percent; followed by Hispanics or Latins—26 percent; and whites—10 percent. Forty percent of the poor in the United States are younger than 18 years old, and 11 percent are old. The cited report says the poverty levels in the United States considerably increase as education levels decrease. This relationship is valid for all bases.

I would like to add that illiteracy in the United States is gradually increasing. These are official statistics. It seems to be shameful that the wealthiest country in the world has this domestic picture. That in order to maintain the privileges of the rich minority, they want to impose on the world—and above all, on the Third World—this way of living, or not living, is an insult to mankind.

Construction Workers Complete Dam in Holguin

FL0712183091 Havana Radio Rebelde Network in Spanish 1200 GMT 7 Dec 91

[Text] Two hundred and thirty construction workers of the engineering projects enterprise have finished, in record time, the Colorado Dam located in the Rafael Freire Municipality in Holguin Province. The dam will store 38 million cubic meters of water that will be used on farms associated with the food program. Its completion was possible after 10 months of 11- and 12-hour work days. The dam will increase the water capacity of Holguin Province to more than 450 million cubic meters. More than a dozen dams have been modified over the past three decades to be able to reach this water storage volume in the territory. The largest dams of those modified are the Nuevo Mundo Dam and the Nina Dam.

At the present time, the largest project of the water systems being worked on in Holguin is the Melones Dam, which will store 600 million cubic meters of water. This volume of water, added to those of other dams, will be used in northern areas of Holguin and in Las Tunas.

UN Seeks Permanent Settlement of Haitians

FL0712124891 Bonaire Trans World Radio in English 1230 GMT 7 Dec 91

[Text] The United Nations is negotiating with Cuba in an effort to create a permanent settlement for Haitian refugees. Thousands of Haitians have left their nation since a September military coup that ousted President Jean-Bertrand Aristide. But the refugees have been interdicted at sea and about 1,300 Haitians are now living in

makeshift Cuban camps. The United Nations wants Cuba to settle the refugees there permanently.

DPRK Workers Party Delegation Arrives

FL0612134891 Havana Tele Rebelde Network in Spanish 1200 GMT 6 Dec 91

[Text] This morning, a delegation from the DPRK arrived in Cuba. Kim Yong-sun, member of the Korean Workers Party Secretariat, heads the delegation. The mission was received at the Jose Marti International Airport by Fernando Ramirez de Estenoz, member of the Communist Party of Cuba [PCC] Central Committee.

The Korean officials will be in Cuba for several days at the invitation of the PCC. In addition to official talks with leaders of our country, the Korean visitors will tour places of economic and social interest.

Cooperation Agreement Signed With PRC

PA0612192691 Havana Radio Havana Cuba in Spanish 1400 GMT 6 Dec 91

[Text] The PRC's State Technical Supervisory Bureau and the Cuban Committee for Standardization have signed a cooperation agreement in Havana during the PRC delegation's visit to the island. The agreement established the basis for economic and scientific cooperation in terms of industrial production quality and services that will help strengthen relations between the two nations.

Inter-Caribbean Affairs

Further on Countries Accepting Haitian Refugees

FL0612162791 Bridgetown CANA in English 1522 GMT 6 Dec 91

[Text] Belize City, Dec 6, CANA—Guatemalan Vice-President Gustavo Espina said his government will accept 300 Haitians as political refugees and as a humanitarian act. Reports from neighbouring Belize, which previously accepted 100 Haitians, quoted Espina as saying that accepting the Haitian refugees will not affect the repatriation programmes with regard to Guatemalan refugees now in Mexico. He said that international organizations and non- government committees will offer assistance to the Haitian refugees in Guatemala.

Belize, Honduras, Jamaica, Trinidad and Tobago, Venezuela, and Antigua and Barbuda have all said they will take varying numbers of refugees. Last month, the director of refugees in Belize, Kenneth Tillet said the 100 Haitian refugees would be settled in a new village on the Western Highway linking Belize City and the capital Belmopan. He said provisions would be made to provide 100 Belizeans with similar assistance in land and housing, to settle in that community.

Antigua and Barbuda

Haitians Accepted as 'Humanitarian Gesture'

FL0612153591 Bridgetown CANA in English 1508 GMT 6 Dec 91

[Text] St. John's, Antigua, Dec 6, CANA—Antigua and Barbuda has agreed to accept 10 to 15 Haitians as a "humanitarian gesture," External Affairs Minister Lester Bird said. Bird made the official announcement during a press conference, following talks with two Organisation of American States (OAS), ambassadors who visited the island. Additionally, the government will be providing a home for members of the Haitian boxing team as they prepare for the Barcelona Olympics.

"We recognize that we have severe limitations about being able to host large numbers. But we are, from a symbolic point of view, indicating to the world that we recognise that we do have a role to play," Bird said.

The OAS team headed by Assistant Secretary-General Christopher Thomas discussed the trade embargo imposed by the hemispheric body in a bid to force reinstatement of the democratically-elected government of President Jean-Bertrand Aristide, toppled in a September 30 coup. Bird said his ministry was now working out final details with the United Nations Agency for Refugees which will finance the temporary stay of the Haitians in Antigua.

"The suggestion is being made for them to stay at guest houses pending the "accellerated process" which we hope will ensure that they can return to Haiti in a more balanced situation in that country," Bird said.

The OAS has dispatched two missions to Haiti in recent weeks including a human rights group to assess the post coup situation there. Thomas, accompanied by Dr. Michael Alleyne, OAS adviser, left here Thursday for Dominica. They will also visit St. Lucia, Suriname, Barbados, St. Vincent and the Grenadines, and Grenada.

Dominican Republic

Balaguer Signs Agreement With EC Official

FL0612180891 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 6 Dec 91

[Report by correspondent Vivano de Leon from the National Palace—live]

[Text] Right now, Joaquin Balaguer, president of the Republic, is heading the signing ceremony of a Lome economic adjustment plan with Mr. Manuel Marin, vice president of that organization. The event is being held at the National Palace meeting room. The secretaries of state, EEC ambassadors, and private sector representatives are also in attendance.

Both President Joaquin Balaguer and Mr. Marin, vice president of the EC, will speak after signing the agreement. The closing remarks will be made by Dr. Roberto Martinez Villanueva, national Lome coordinator.

We repeat that right now President Joaquin Balaguer is presiding over a signing ceremony of a Lome economic adjustment plan with Mr. Manuel Marin, vice president of the EC. This agreement provides for the awarding of several million dollars for investments in various projects that will greatly benefit the Dominican Republic.

Haiti

OAS Mission Chief Arrives, Interviewed

FL0712000391 Port-au-Prince Radio Nationale in Creole 1100 GMT 6 Dec 91

[Report by correspondent Jean-Marie Ferari in Port-au-Prince on 5 December—recorded; italicized passages are in French]

[Text] [Ferari] Ramirez Ocampo, OAS mission chief, arrived in Haiti on the evening of 5 December for the second time since the beginning of the country's crisis. This also marks the fifth meeting of the OAS with the Haitian Parliament since the OAS began seeking a solution to the crisis. The delegation, consisting of Augusto Ramirez Ocampo, Larry Harrison, Mario Gonzales, Edwin Carrington, and Juana Rodriguez, arrived in Haiti in a private plane. Those present at the airport to welcome the delegation included the Dominican ambassador, the U.S. ambassador, and the Canadian ambassador. Also present were the OAS representative in Haiti, Paul Laurent Tardif; and three senators: Ebrane Cadet, Judenel Jean, and Serge Joseph. Before the arrival of Mr. Ramirez Ocampo and the delegation, the senators told us what they expect from this visit. Let us listen first to Senator Judenel Jean.

[Jean] We are seeking a solution for the country that will satisfy all sectors.

[Ferari] Senator Serge Joseph said almost the same thing as his colleague.

[Joseph] I think Mr. Ramirez Ocampo is coming to join with us in finding a final solution that can satisfy everybody.

[Ferari] Laurent Paul Tardif, the OAS representative in Haiti, believes there are positive signs for a negotiated solution.

[Tardif] [Words indistinct] *positive signs coming from the prime minister and the Senate president. I believe there is a willingness to negotiate. I believe [words indistinct] steps that could be decisive will soon be made and that very positive decisions will hopefully be made.*

[Ferari] The president of the delegation, Ramirez Ocampo, who arrived around 2400 GMT, said he believes he has a solution that can save the Haitian people from their suffering.

[Ramirez Ocampo] *We have returned to Haiti in order to again talk with many people here so as to find a quick solution to the Haitian crisis. I think we have made some progress since the talks that took place here in Haiti, and then in Cartagena. Of course, we also have many new facts, very clear statements made recently in Cartagena by the president of the Rio Group, Costa Rica, and Jamaica. The solution must therefore be found as soon as possible. The sooner it is found, the better it will be.*

[Ferari] Should the Haitian people have hope, some final hope?

[Ramirez Ocampo] As for me, I have it, I have it.

[Ferari] After these statements made by Mr. Ramirez Ocampo upon his arrival at the airport, the delegation went straight to the legislative chamber where deputies, senators, the two chamber presidents, Mr. Ramirez Ocampo, and his delegation met for about three hours in the diplomatic lounge of the Legislative Chamber. What resulted from this important meeting? We asked Mr. Ramirez Ocampo.

[Ramirez Ocampo] *We have worked very hard. We had a very good conversation today with the members of the parliamentary committee. We are going to work again tomorrow, honestly and wholeheartedly.*

[Ferari] Did you make suggestions?

[Ramirez Ocampo] Sorry?

[Ferari] Did you make any suggestions?

[Ramirez Ocampo] I am...[changes thought] As you know, we in the OAS civilian mission are all facilitators. We think that a solution can be found among Haitians that will be honorable for everybody, with guarantees for everybody—of course—on the basis of the return of the constitutional president of Haiti, Jean-Bertrand Aristide. We are working toward this goal.

[Ferari] How long will you stay in Haiti?

[Ramirez Ocampo] I think I will stay here for approximately two days.

[Ferari] A final question now. Do you think that tomorrow will be the last meeting?

[Ramirez Ocampo] No, we will work everyday—tomorrow and the day after tomorrow.

[Ferari] Do you hope to come back to Haiti again in case a solution is not found?

[Ramirez Ocampo] I hope to come back several times. You know that the civilian mission must work very hard.

It will even be necessary to work after the political solution, for the economic and social reconstruction.

[Ferari] Senate President Dejean Belizaire said that despite the resolution recently approved by the chamber—to ask the OAS to immediately and unconditionally lift the embargo, and to acknowledge the new government—the negotiations will still continue.

[Belizaire] Well, you have noted that there is now an OAS humanitarian mission assessing the impact of the embargo on the national economy. We are very firm about the resolution because—as you say—the embargo is an unfair measure taken against Haiti. We have unfortunately noted that there is international solidarity that contributes to undermine the economy of this country and to aggravate the existing conditions of the Haitian people. We have, therefore, already asked the executive, through this resolution, to take measures to carry on with this matter. Thus, it is obvious that the resolution that we have made does not affect the negotiations that are to put an end to the national crisis. The resolution is something, and the negotiations are something else. We do not mix them up.

[Ferari] The negotiations will thus continue on 6 December. What will be on the agenda? We interviewed Senator Jean-Louis Firmin.

[Firmin] We do not know what will be said, what will result from these negotiations tomorrow. We do not yet know. This afternoon, there was only an initial contact. Tomorrow morning, we will discuss the agenda, what will be done, and what will be discussed.

[Ferari] That will all be on the agenda tomorrow?

[Firmin] The Senate works permanently [as heard]. The OAS delegation will be here too. There will be discussions between it and the committee chosen by the Chamber of Deputies and the Senate, to meet, negotiate, and discuss.

[Ferari] Mr. Senator, has Mr. Ramirez Ocampo made any proposal?

[Firmin] Not yet, the OAS delegation just arrived. They arrived tonight. They are tired. There was only an initial contact. We will begin working tomorrow morning.

[Ferari] Do you have any proposal for them meanwhile?

[Firmin] Well, all proposals have already been made because there is an embargo...[changes thought] well, you know the country is going through an extremely difficult situation. So, everybody is asking that... [changes thought] everybody is making an effort to see how we can get the country out of this deadlock. Everybody must show good will and make an effort so that we can move ahead.

[Ferari] Finally, what we need to know is whether tomorrow will be the last meeting, according to the reevaluation that has been made, because Mr. Ramirez Ocampo told us at the airport that he has the solution, and that he has much hope for the Haitian people.

[Firmin] We hope so, because he has not yet told us that. He will likely tell us tomorrow morning during the meeting whether he has a solution. If he does have one, he will present it to us. Then, we will discuss it.

[Ferari] That was the special report we prepared for you on the arrival of Mr. Ramirez Ocampo on 5 December. It was the fifth meeting. You will recall that the first took place at the airport on 4 October. The OAS secretary general, Mr. Soares, personally came to Haiti with some foreign ministers of other countries. The second meeting was in Jamaica. The third was on 10 November in Port-au-Prince. The fourth was 22-25 November in Cartagena, and the sixth time will be tomorrow, 6 December.

Parliament Rejects Proposed Prime Ministers

FL0712130591 Bonaire Trans World Radio in English 1230 GMT 7 Dec 91

[Text] In Haiti, the country's Parliament rejected all 12 names on a list of possible prime ministers. The names were submitted by a special envoy from the Organization of American States, Augusto Ramirez Ocampo. Mr. Ramirez Ocampo is attempting to resolve the country's political situation. He has held talks with Haitian lawmakers and Army General Raoul Cedras. The names on the OAS official's list were first proposed by former President Aristide.

Salinas on Fight Against Human Rights Abuses

PA0612172791 Mexico City Red Nacional 13 Imevision Television in Spanish 1306 GMT 5 Dec 91

[Text] President Carlos Salinas de Gortari has reiterated his support for the National Human Rights Commission's efforts to combat impunity, and his pledge to punish anyone who promotes impunity regardless of who he may be.

[Begin Salinas recording] We are taking decisive action against impunity. We are not promoting it and we will not allow it. We will wage a serious and in-depth struggle against it, regardless of who the perpetrator may be or the position he may hold. Without affecting the division of powers, we will continue strengthening the commission to ensure that the Mexican people's rights are scrupulously observed. The war against impunity is a permanent and irrevocable commitment for all Mexicans. [end recording]

The president made the remarks during an event where Jorge Carpizo, president of the National Human Rights Commission, presented his third semi-annual report. President Salinas de Gortari said the struggle will continue against those who violate human rights, such as criminal organizations devoted to drug trafficking. He said those who fail to do their duty in combating human rights violations will be punished.

[Begin Salinas recording] We demand firm action from those whose responsibility it is to combat drug trafficking, but who occasionally forget that duty and, instead of fighting it, contribute to this harmful activity. [end recording]

President Salinas said the Mexican people are convinced that the law is the only way to give permanence to the changes we seek. He said Mexico does not want a form of development that will disregard the protection of basic rights or that imposes itself over the law.

During the presentation of his third semi-annual report, Jorge Carpizo said that between June and December the human rights commission received almost 2,500 complaints.

[Begin Carpizo recording] During this third six-month period, we received 2,485 new complaints, and we resolved 1,892. We issued 65 recommendations and 34 non-responsibility documents. [end recording]

Carpizo reported that the most frequent complaints were arbitrary arrest, false accusations, torture, abuse of authority, refusal to do justice, and delays in the procurement of justice. He also disclosed that 139 government employees were punished for violating human rights. Nevertheless, he said that torture is no longer the leading complaint. It has dropped to third place.

Human Rights Commission on Killing of Policemen

PA0612202891 Mexico City NOTIMEX in Spanish 1933 GMT 6 Dec 91

[Text] Mexico City, 6 Dec (NOTIMEX)—The National Human Rights Commission [CNDH] said 6 December that it is "very probable" that seven federal policemen were killed by Mexican soldiers in the state of Veracruz as the result of misidentification.

CNDH President Jorge Carpizo said on 6 December that it is very probable that the soldiers who watched the plane land with alleged drug traffickers in Tlalixcoyan on 7 November mistook the policemen for drug traffickers out of nervousness or fear.

The confusion is all the more likely because the federal policemen's plane bore no identification of the Prosecutor General's Office, he said.

Anyway, the CNDH recommended that the National Defense Secretariat investigate the soldiers who participated in the drug operation because "it is evident that the officers and soldiers violated the regulations on and the concept of military justice."

Requests Investigation

PA0612221391 Mexico City NOTIMEX in Spanish 2057 GMT 6 Dec 91

[Text] Mexico City, 6 Dec (NOTIMEX)— The National Human Rights Commission (CNDH) feels the incident in which seven narcotics policemen were killed was probably due to confusion, but it also recommended an investigation of the military officers involved in the action.

Jorge Carpizo, the head of the CNDH, asked Mexican National Defense Secretary Antonio Riviello Bazan to investigate the incident according to the law and impose disciplinary action against the five military officers involved in the killing of the narcotics policemen.

Carpizo was referring to an incident that took place in Tlalixcoyan Municipality, Veracruz State on 7 November when Mexican narcotics policemen chasing Colombian drug traffickers were shot to death by members of the Army.

Carpizo said there is a high probability the shoot-out was the result of confusion caused by "tension and nervousness."

"It was probably confusion because the federal policemen's plane was not properly identified and did not have an emblem from the Attorney General's Office," he said.

In a 104-page report, however, the CNDH said that the soldiers violated the law by confronting the Federal Judicial Police agents the way they did.

According to the report, Division General Alfredo Moran Acevedo received at least two telephone calls from the Attorney General's Office asking him to stop

the shooting. Gen. Moran Acevedo said that he did not give any credibility to those requests.

Based on the evidence presented, it was established that one of the judicial agents killed received several shots at close range and another one received a blow in his face before dying.

Therefore, the CNDH recommended that Riviello Bazan investigate the conduct observed by Captain Victor Manuel Jimenez Ascona and his personnel. After the shooting stopped, several federal agents who had identified themselves were beaten up and threatened.

In addition, the CNDH recommended an investigation to determine if Lieutenant Jose Alfredo Coronel Vargas was correct by not pursuing the drug traffickers fleeing from the Cessna plane.

The CNDH asked that the National Defense Secretariat and the Attorney General's Office identify the aircraft used in the struggle against drug trafficking and recommended that both institutions review their coordination and support to prevent future incidents.

Issues Recommendations

PA0712034891 Mexico City XHTV Television Network in Spanish 0200 GMT 7 Dec 91

[Text] Jorge Carpizo, head of the National Human Rights Commission [CNDH], presented the commission's recommendations regarding the events that took place in La Vibora, Tlalixcoyan Municipality, Veracruz State on 7 November. During a narcotics operation, seven Federal Judicial Police [PFJ] died in a clash with members of the Mexican Army.

The recommendations, which were sent to the secretary of national defense and the attorney general, state that the secretary of national defense and the father of one of the judicial agents who died in the action requested the intervention of the CNDH.

The document says the secretary of national defense and the attorney general stated that their only wish is to discover the truth. The CNDH recommendations also explain that it is not investigating this matter in regard to the DEA, because none of the complaints mention this institution and it is outside the commission's jurisdiction.

Carpizo said the CNDH respects the Mexican Army and the Attorney General's Office, as these are indispensable institutions in preserving peace and guarding the state of law in Mexico. The commission, therefore, believes that punishing those elements who have not honored their responsibility will not harm the prestige of these two institutions, but will distinguish them.

The 104-page document presents eight specific recommendations, of which three are directed at the secretary of national defense; three directed at the attorney general; and two to both officials.

The first recommendation is directed at the secretary of national defense. It states that General Alfredo Moran Acevedo, General Humberto Martinez Lopez, Lieutenant Colonel David Rodriguez, Lieutenant Enrique Zuniga, Lieutenant Jose Alfredo Coronel, and the platoon under their command transgressed penal legislation and military discipline in confronting the PFJ agents the way they did. Thus, pending legal investigation, the appropriate penal action and whatever disciplinary measures will be taken against them.

The second recommendation is also directed at the secretary of national defense. It calls for an investigation into the conduct of Captain Victor Manuel Jimenez and his personnel. After the firing had ceased, they beat and threatened several PFJ agents.

The third recommendation is directed at the secretary of national defense. It calls for an investigation to determine if Lt. Jose Alfredo Coronel Vargas acted correctly in not pursuing the drug traffickers.

The fourth recommendation is directed at the attorney general and calls for an investigation into the reasons why the plane carrying the PFJ agents did not have official markings.

The fifth recommendation is directed at the attorney general and calls for all PFJ personnel to use clothing or markings to allow immediate identification.

The sixth recommendation is directed at the attorney general, calling for an investigation to determine if a different course of action could have been taken by PFJ Commander Eduardo Salazar Carrillo on 7 November, when he headed the operations that led to the events in question.

In the two recommendations directed at both the secretary of national defense and the attorney general, the CNDH asked them to review their coordination and assistance plans for drug trafficking operations to prevent any further possibility of confusion.

General Replaced Following Human Rights Report

PA0712151791 Mexico City Radio Mil in Spanish 1429 GMT 7 Dec 91

[Text] Jorge Carpizo, chairman of the National Human Rights Commission [CNDH], read a report on 6 December listing a series of recommendations regarding the events that occurred on 7 November at La Vibora, Tlalixcoyan Municipality, Veracruz.

The first response to this report has been reported: General Alfredo Moran Acevedo, commander of the 26th Military Zone in Veracruz, who was reportedly involved in this deplorable incident, was dismissed from his post shortly after Jorge Carpizo presented the Commission's report. A change of command has already taken place at the 26th Military Zone and the 6th Military Zone in Veracruz. [sentence as heard] Gen. Moran was replaced by Division General Gregorio

Guerrero Caudillo in a brief, private ceremony presided over by General Adrian de Jesus Ruiz Esquivel, inspector of the National Defense Secretariat at La Boticaria Garrison in Boca del Rio Municipality, Veracruz.

It was unofficially reported in Mexico City that Dr. Federico Ponce Rojas, assistant prosecutor for criminal investigation in the Attorney General's Office, has tendered his resignation. Dr. Ponce unexpectedly submitted his resignation last night and there is still no official report on his replacement. Ponce was regarded as Attorney General Ignacio Morales Lechuga's confidant, and his resignation is reportedly for purely personal reasons. Ponce tendered his resignation shortly after the CNDH issued its recommendations concerning the deaths of seven federal agents who were shot by military forces in Tlalixcoyan, Veracruz. This is the most difficult and controversial conflict the current attorney general has faced so far.

Defense Secretary on Veracruz Incident

PA0712194091 Mexico City Radio Acir Network in Spanish 1717 GMT 7 Dec 91

[Statement by Division General Antonio Riviello Bazan, Mexican secretary of national defense, in response to the recommendations made by the National Human Rights Commission at the Defense Secretariat in Mexico City on 7 December—recorded]

[Text] Distinguished representatives of the various media: I have met with you at this time to publicly announce the Defense Secretariat's reply to the report and recommendations presented by the National Human Rights Commission [CNDH]. This is the text of the document:

Distinguished Dr. Jorge Carpizo [CNDH president]:

On 16 November, the Defense Secretariat requested that the CNDH, which you head, intervene to investigate the events that occurred in Llano de Vibora, Tlanixcoyan Municipality, Veracruz State, on 7 November. Members of the Mexican Army and members of the Federal Judicial Police were involved in this incident. We requested this intervention because the Mexican Army has always been an institution at the service of the Mexican people, because the Army's prestige has been forged by its (?obedience) to the law, by respect for personal rights, and by continuing activities for the good of the people. Throughout its history, the Mexican Army has demonstrated absolute loyalty to the constitutional order and the republican institutions established by this order.

Certain of the Army's moral integrity and its loyalty to the Constitution, I am convinced that nothing would harm our coexistence and the power of our institutions more, particularly that of the Mexican Army, than tolerance of impunity or improper behavior on the part of some Army members in the course of their duties. On the very day the events in question to place, I instructed the military prosecutor general to conduct a thorough investigation and gather all available evidence and proof to fully establish the responsibility of the Army members involved. To make the military prosecutor general's investigation even more honest and impartial, I asked the CNDH for support. This is a serious, reliable agency of the highest moral quality. The Army put all available information at the CNDH's disposal so it could express an opinion that would contribute toward establishing the truth. I have received the CNDH's recommendations. They are only that: recommendations, the usefulness of which we readily admit and accept. I am hereby reporting to the commission the following.

1. I have instructed the military prosecutor general to take into account the CNDH's recommendations on the investigation in progress, to carefully examine each and every one of the related proofs, testimonies, and pieces of evidence, and to complete the most thorough investigation possible of the incident. I have also instructed him to establish, based on the results of this investigation, any applicable responsibilities and apply any proper penalties and disciplinary actions.

On 5 December I ordered the dismissal of the 26th Military Zone commander and of other commanders who may be involved in the case to ensure that the procedures, inquiries, and investigations will be carried out promptly and safely.

2. I have instructed the military prosecutor general to conduct an exhaustive and special investigation of the actions of Second Captain Victor Manuel Jimenez Azcona [title as heard] and the personnel under his command to determine if during the operation they behaved in a manner that could be considered criminal or a violation of military laws and regulations.

3. Although the owner of the fuel truck and the other detainees made statements to the CNDH and the Federal Public Ministry that they have no ties with members of the Army or the Federal Judicial Police, that the pilots of the Attorney General Office's airplanes were flying over the area at the time, that they definitely saw no one, and that the Communications Secretariat technicians could not have determined in their analyses that anyone was present, I have arranged for the use of all technical resources and experts available to establish the nature of the image that appears on the video cassette marked G-2.

The Mexican Army reaffirms its pledge to the de jure state. It does not permit or tolerate impunity for any of its members. The Mexican Army has suffered human and material losses (?in the) struggle against drug trafficking and [words indistinct], which is a scourge against humanity and a poison of youth. We will continue our fight with determination and strength. We have already made noteworthy achievements and will continue to do so as we have done thus far, fully respecting the law. We will continue talking with the Attorney General's Office to improve inter-institutional coordination.

The decisions we have made will benefit the Army and the Mexican state of which we are part. Strict adherence to laws and regulations is the best way to continue to strengthen the prestige that the Mexican Army has earned throughout its history. We thus confirm our firmest convictions and patriotism.

I conclude by assuring Dr. Carpizo of my attentive and distinguished regard. I reiterate to him that the sector most interested in sorting out these incidents is the Mexican Army. I believe, Gentlemen, that with these statements this secretariat has nothing more to add for the time being. On this occasion, therefore, I can only thank you for your presence and your attention. Thank you very much.

Attorney General Responds to CNDH Report

PA0712201691 Mexico City Radio Acir Network in Spanish 1911 GMT 7 Dec 91

[Statement by Attorney General Ignacio Morales Lechuga in response to the National Human Rights Commission's, CNDH, recommendations at the Attorney General's Office in Mexico City—live]

[Text] The Attorney General's Office believes the investigation conducted by the National Human Rights Commission [CNDH] in Tlaliscoyan, Veracruz explains the incident and its origins.

Upon being informed of the CNDH's recommendations to the Attorney General's Office, I immediately instructed the internal comptroller to carry them out at once, thereby allowing us to improve the regulations governing the operation of our personnel and our resources.

Coordination between the Attorney General's Office and the Defense Secretariat, which has been total and efficient during a number of operations, is something we will continue to try to perfect. The Attorney General's Office will intensify its coordination and close ranks with the Mexican Army to better fulfill the federal executive's instructions.

I reiterate my highest respect for the Mexican Army, whose institutional stability and commitment to Mexico's popular causes are rooted in our history. I likewise reiterate my resolve to continue to carry out the joint tasks entrusted to us for the protection of the Mexican people's health, to guarantee our national sovereignty, and to fulfill [words indistinct] Mexico's solidarity with the international community.

[Words indistinct] the defense secretary for his unchanging patriotic and honest conduct. Meanwhile, within the framework of internal decisions by the Attorney General's Office, Federico Ponce Rojas, assistant attorney of preliminary investigations, resigned from his post on 7 December. Armando Felix Rubio, general director of resources and general services; Evers Hernandez Diaz, director of resources; and Armando Guillen Manducano, assistant director of acquisitions, also resigned.

The institution's internal comptroller began an investigation into the conduct of Commander Eduardo Salazar Carrillo on 7 November during the incidents in Tlaliscoyan, Veracruz. Thank you for your attention. Good afternoon.

* PRI Restructuring Started in 16 States

92CA0037A Mexico City LA JORNADA in Spanish 8 Nov 91 p 11

[Report by Jose Urena]

[Text] The National Executive Committee (CEN) of the Institutional Revolutionary Party (PRI) has begun a program to bolster and restructure its membership in the 16 states in which elections will be held in 1992 and early 1993, so that it can run without risk of losing.

The program, supervised by the Secretariat of Regional Coordination under Carlos Armando Biebrich, includes the second stage of a massive membership campaign, the creation of a directory of staffers, the restructuring of these staffers, and the establishment or updating of state and municipal political councils.

Concurrent with the decision by Luis Donaldo Colosio, who has appointed special coordinators to monitor the election processes in several states, the PRI committee in the Federal District (DF) has set new conditions for handing out membership cards to those requesting them.

Organizational Secretary Enrique Diaz Michel said that the idea was to acknowledge performance in the party, to make a record of the political work of its activists, and to guarantee in document form the rights and incentives that the statutes governing PRI assign to each member.

The idea is that everyone holding a membership card should take part in the internal elections that PRI will hold in the capital as of January to choose leaders for the 40 district committees and to make official the selection of Enrique Jackson as the successor to Marcelo Ebrard.

While the DF steering committee was announcing this, in Zacatecas the regional coordinator of the second district, Rafael Oceguera Ramos, was swearing in Carlos Valles as the CEN representative to begin the reform process leading up to the replacement of Genaro Borrego Estrada.

Just like the coordination work under Carlos Armando Biebrich, Oceguera Ramos said that the second stage of the membership drive would be intensive and that concurrent with it a period of deliberation would be undertaken to strengthen PRI and enable its members to take part in selecting candidates for governor, state congressmen, and mayors.

As he said in his speech, "PRI has not lowered the banners of hard work and its commitment to democracy

and seeks the proportional representation of all the country's forces through the vote."

In Zacatecas, as in the 15 other states in which gubernatorial campaigns will begin (two of them will not conclude in 1991), the instructions from the CEN are to carry out a program of four specific points:

1. Undertake a second stage of registering members so that the party has a complete, up-to-date list and encourage all of them to take part in whatever internal elections are decided on at the proper time.

2. Restructure personnel at all levels (state, municipal, district, and sectional) so that the provisions of the statutes are observed at all times and so that responsible people who will be sure to work hard will always be in charge.

3. Register in the directory all individuals who have worked in previous local and federal elections. This will include specific entries on assignments handed out and results achieved for the party, and

4. Analyze the situation in the state and municipal political councils that have already been established, set them up where they have not been, and make sure that they operate properly so that they set rules for and monitor candidate-selection processes.

The nominations will be decided between February and November 1992 in the 14 states in which constitutional elections will be held for governor, state congressmen, and/or mayors, and PRI has similar action in store for the special elections that will be called in San Luis Potosi and Guanajuato.

El Salvador

Assembly President Comments on 8 Dec March

PA0612160391 San Salvador Canal Doce Television in Spanish 0300 GMT 6 Dec 91

[Text] Legislative Assembly President Roberto Angulo and ARENA [Nationalist Republican Alliance] President Armando Calderon Sol said on 5 December that the march scheduled for 8 December is meant to show support for peace and Salvadoran institutions.

The top leaders of the government ARENA party defended the objectives of the march organized by the Unity for Peace 91 movement.

The ARENA president said that this activity is meant to defend the country's institutions and show the international community that El Salvador demands peace. He said that the Armed Forces play an important role in this process.

[Begin Calderon Sol recording] [in progress] ... support the country's institutions, support the military, which is an institution that has been defending the democratic process and the peace process, and which is also subjected to this transformation. No one can deny that the institution has also contributed, and is still contributing, to the peace process. [end recording]

The president of the Legislative Assembly rejected claims that the march represents opposition to purging the Army. He said that the march is meant to show complete support for the peace process and the agreements that have been reached. He said he regretted that some sectors would not participate in that demonstration.

[Begin Angulo recording] The Democratic Convergence and the Christian Democratic Party are not participating as of this moment. I hope they participate in the activity that they are trying to discredit. I think that this is not the right time to discredit something that has such a noble objective as supporting the peace process. [end recording]

All political sectors in the country claim to support the negotiations now being held in San Miguel de Allende, Mexico. The results of the negotiations will be announced very soon.

ARENA Urges Citizens To Join Peace March

PA0812042391 San Salvador Radio Cadena YSU in Spanish 1800 GMT 7 Dec 91

["Communique" issued by the Nationalist Republican Alliance, ARENA, in San Salvador—date not given]

[Text] We must all participate in the March for Peace. The March for Peace, which will take place on 8 December, will constitute one of the most important civic-patriotic events of recent times, because it will allow all Salvadorans, regardless of political ideology, religious creed, or social position, to ask the Almighty to bring peace to and unite all Salvadorans.

After more than 11 years of irrational, useless, and unjust war, which has brought only death, destruction, and suffering to civilians, now is the time to implore the Almighty God for the return of peace and reconciliation among the Salvadoran family.

Given the enthusiasm raised by the March for Peace among all social segments of the country, there is no doubt that it will be a huge, peaceful, and spontaneous demonstration in favor of peace and to reject any violent display.

The Salvadoran people have always advocated negotiation and dialogue to resolve differences regardless of how difficult and complex they may be. For this same reason, they have isolated extremist segments that prefer violence and terror.

The March for Peace will also serve to show to the entire world that problems of any nature can only be resolved through tolerance, understanding, and solidarity, and not through internal struggles to destroy the adversary.

We are hopeful that the negotiation between the delegations of government and the Farabundo Marti National Liberation will be successful, because it is no longer possible to prolong the suffering of the Salvadoran people. With their stoicism, patriotism, and solidarity, they have won the right to live in peace, justice, and liberty.

The people have had to endure suffering and sacrifice, but now is the time to allow them the peace and tranquillity to which they aspire so much to be able to work and create a more just, humane, and prosperous society.

The Nationalist Republican Alliance urges all fellow party members, sympathizers, and friends, and the Salvadoran people in general, to join the great March for Peace that will leave at 0800 from the Monument to the Savior of the World [also known as Las Americas Square] and conclude at Libertad Square, because we will thus be disarming the warmongers and strengthening the aspirations to live in peace, progress, and liberty.

'Thousands' March in Support of Government, Army

PA0812235491 Panama City ACAN in Spanish 2045 GMT 8 Dec 91

[Text] San Salvador, 8 Dec (ACAN-EFE)—Thousands of Salvadorans participated on 8 December in a "march for peace," which was organized by the government, the Armed Forces, and private enterprise. The demonstrators marched along the main streets of the capital.

The marchers chanted such slogans as: "We want peace, down with the terrorists;" "Long live our Armed Forces;" "The people support our National Police;" and "Power is won at the polls."

Meanwhile, several slogans against communism, foreign intervention, and the rebels' demands for disarmament were seen on banners placed throughout the city, on public buses, and on banners carried by demonstrators.

The demonstrators left at 0800 (1400 GMT) from the Plaza de las Americas, in the western part of the capital, and after marching along the main streets of the city, ended up at the Plaza Civica, located downtown.

According to government spokesmen, more than 150,000 people, half of what had been expected, participated in this event. The march reportedly took place without incident.

The Farabundo Marti National Liberation Front (FMLN), which had announced that a guerrilla delegation would participate in the march, refused to join in, because according to a guerrilla spokesman, "this was a manipulated demonstration to show support for the Armed Forces and it does not contribute toward the peace process."

Meanwhile, Legislative Assembly President Roberto Angulo stated that the march was a "civic demonstration of most Salvadorans who want peace." He described those who support the rebels and "do not want peace" as "a minority."

Angulo, who is also a leader of the Nationalist Republican Alliance (ruling party ARENA), participated in the demonstration together with Vice President Francisco Merino and San Salvador Mayor Armando Calderon Sol.

No government official made speeches during the demonstration.

The negotiations between the government and the guerrillas have gone through critical moments in the past few weeks, given that both parties have hardened their positions on the structuring of the National Civilian Police [PNC], which would replace the current security corps. The FMLN is reportedly demanding to play an important role in the configuration of the PNC.

In addition, the purging of the Army and reducing its size, as well as the conditions to put an end to 11 years of war—which according to human rights organizations has resulted in more than 75,000 deaths—are being discussed.

Cristiani on Cease-Fire, Peace Talks, Truce

PA0612181691 San Salvador Radio Cadena YSU in Spanish 1905 GMT 4 Dec 91

["Statement" by President Alfredo Cristiani at an impromptu news conference at the Presidency in San Salvador on 4 December—recorded; broadcast in progress]

[Text] ...correspondents and members of the media. More threats have been made and we believe that they are totally uncalled for, particularly when our country wants reconciliation. We have condemned the threats made by different groups against the members of ONUSAL [UN Observers for El Salvador], ONUCA [UN Observer Group in Central America], and any other group that is working for peace in our country. However, we believe that these threats have been issued by small, minority groups and we trust that most of the Salvadoran people endorse the peace process.

We do not understand why the FMLN [Farabundo Marti National Liberation Front] is talking about an extension of the cease-fire because it did not set a time limit when the cease-fire started. The FMLN said that this was done in an effort to achieve a definite cease-fire, which has no deadline. It is just a matter of waiting for results. Therefore, we should be talking about a continuation of the present situation. We have been quite clear that the Armed Forces not only have the authority, but also the duty, to patrol and guarantee our protection throughout the country. Neither the government nor the Armed Forces have adopted an offensive attitude. We clearly said that the clashes that have occurred recently could have been prevented. Nevertheless, the number of clashes is far below what we normally had in the past.

As far as we are concerned, the situation still can be improved by avoiding the clashes. However, the government and the Armed Forces cannot fail to protect the citizens who live in different zones. Everyone knows that the FMLN has objected to Operation Gold Grain and that this operation is nothing new. A similar one is carried out every year to guarantee the harvest. This is not an offensive operation; it is simply intended to guarantee the harvest, which is a considerable source of income for many Salvadoran families. This does not involve only the FMLN; we must also prevent thefts, which have increased in recent years. The action taken by the Armed Forces, or its presence throughout the nation, cannot be called an offensive. We think that avoiding a fight does not make one a coward and we hope that the FMLN will adopt a similar attitude.

The talks in Mexico are progressing as scheduled. Several topics have been discussed—some of them have been settled—and the discussion of a condensed agenda continues. I do not believe anyone can talk about deadlines because we have always said that it is difficult to establish a specific deadline. Nevertheless, we think that every effort must be made to conclude the talks as soon as possible so that we may achieve what the Salvadoran people truly want—a definite cease-fire and an end to the conflict, rather than a truce. We will continue to do everything possible to end the conflict as soon as possible, but there is no time limit. I repeat, it is difficult to establish a deadline.

Referring to the Honduras summit, the topics that were initially outlined in Esquipulas II are always reviewed to make sure that there are no problems. In fact, we believe that we must draw attention to the gunrunning issue, which not only violates the Esquipulas II agreements. [sentence as heard] In this case I want to be extremely clear so that there will not be any confusion. The Salvadoran Government does not blame the Nicaraguan Government for this.

Government Accepts Offer To Continue Talks

PA0712040991 Panama City ACAN in Spanish 2343 GMT 6 Dec 91

[Text] San Salvador, 6 Dec (ACAN-EFE)—The Salvadoran Government has accepted the invitation made on 6 December by UN Secretary General Javier Perez de Cuellar to continue peace negotiations with the guerrillas in New York, an official source told ACAN-EFE.

The source added that President Alfredo Cristiani and members of his government are meeting to analyze the negotiations, which are going through a critical stage.

Oscar Santamaria, chief of the National Dialogue Commission, said on 6 December in San Miguel Allende, Mexico that Perez de Cuellar's invitation "could be very valuable as it shows he is interested in promoting the peace talks so they will reach a conclusion."

Guerrillas: Government, Army Slow Peace Talks

PA0712041991 Mexico City NOTIMEX in Spanish 0144 GMT 7 Dec 91

[Text] Mexico City, 6 Dec (NOTIMEX)—The Salvadoran guerrillas on 6 December blamed President Alfredo Cristiani's government, the Armed Forces, and ARENA [Nationalist Republican Alliance] for the deterioration of the peace talks to end the war in that nation.

In a communique, the General Command of the Farabundo Marti National Liberation Front (FMLN) expressed its determination to maintain the military truce it declared on 14 November.

The FMLN said that it will only change that position if there are "substantial changes that affect the negotiations or the current balance of forces."

In its communique, the FMLN reiterated its willingness to sign a cease-fire agreement on 15 December to put an end to 11 years of civil war in El Salvador.

The FMLN communique added that on 29 November, Defense Minister General Rene Emilio Ponce and Colonel Carlos Armando Aviles called the government, Army, and ARENA to a meeting to inform them about a march in support of the Armed Forces.

During that meeting, the document adds, Aviles said that "a political war has begun in defense of the Armed Forces and against the left, and demanded that those present declare their positions."

The guerrillas said that since "peace is a desire of all Salvadorans," they expressed their desire to participate in the march—which will take place on 8 December—but that the government and ARENA replied by threatening them with arrest.

The FMLN General Command said that the negative attitude against their participation shows that "it will not be a march of unity and peace, but of confrontation and war," against the New York Agreements and the peace talks.

The communique added that the military forces have instructed patrols and civil defense units to intimidate the population so that they will go the march.

FMLN Urges Government To Declare Cease-Fire

PA0812171391 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Dec 91

[Station commentary: "Let Us Go to the Square"]

[Text] We must take specific steps if we truly want the Salvadoran family to be reunited, because not words but deeds will heal the wounds inflicted on our society by the war.

On 8 December we will go to Freedom Square to march for peace, raising our blue and white national flag, because we believe that every Salvadoran should support the agreements reached during the peace negotiations. We will attend the 8 December march to support the agreements we signed with the Cristiani government in New York. These agreements established that: the peasants have a right to own land; the Armed Forces must be purged and reduced; and the National Civil Police will replace the security bodies.

At this historic hour, the Farabundo Marti National Liberation Front [FMLN] calls on the Cristiani government to distance itself from the pressures of antinegotiation groups that are threatening the press, the UN Observers for El Salvador, and even the government's own negotiating commission.

Today we have heard a renewed call from the United States and the Soviet Union for a UN supervised cease-fire before the end of the year. The FMLN fully supports this call by the two world powers.

Today would be an excellent time for the government to heed national and international calls and announce an end to the bombing of civilian resettlement areas; bombing that is going on right now in Guazapa and Usulutan. The government should announce the end of operations in areas where it has been unable to maintain positions in 11 years of conflict. The government should announce that landless peasants will no longer be evicted. It should announce the end of the drafting of youths. That would be a gesture of peace.

The government should inform the mothers of Armed Forces officers and soldiers that their sons will not die before Christmas in Perquin, El Tigre, Guazapa, Los Ranchos in Chalatenango, or in any other area where the government has maintained its offensives.

We should avoid shedding even one drop of blood during these days before Christmas. It is Cristiani's political and moral duty to respond to the unilateral truce decreed by the FMLN. The Salvadoran people are demanding a Christmas free of blood and with political agreements. We will attend

the 8 December march in the spirit of reconciliation and as a democratic rehearsal for the coexistence of all Salvadorans. It is the government's responsibility to ensure that on that day we will have a civic demonstration and that the streets of San Salvador will be free of war uniforms, war cries, rifles, and bomber planes.

The national flag, which we should all raise together, should flutter as a sign of hope for the entire nation. Since the agreements have been signed, the immediate future should be characterized by reconstruction and concerted efforts, not confrontation.

Santamaria Says Negotiations Advancing

PA0712040791 Paris AFP in Spanish 1815 GMT 6 Dec 91

[Report by special AFP correspondent Antonio Ortega]

[Text] San Miguel de Allende, Mexico, Dec 6 (AFP)—Salvadoran Presidency Minister Oscar Santamaria stated here today that the negotiations between the Salvadoran Government and the guerrillas have advanced and that their strong disagreements with regard to the Armed Forces (FA) and the National Civil Police (PNC) have been reduced to one or two points.

During a recess from a meeting in this round of negotiations, which have been held in San Miguel de Allende since 25 November, Santamaria explained that "on the topic of the FA, we have advanced almost to the end and are discussing what is perhaps the last point—the criteria that is to be used in the reduction" of the Army.

"We have worked much on the criteria for the reduction and are trying to find points on which to reach a final agreement," the official said. This "means that we have advanced significantly," Santamaria added.

With regard to the PNC, Santamaria noted: "We have advanced enormously," and the debates are now focused "on what could be the last two important points that are still pending. Once we finish, we will have concluded what we would call an in-depth study of the PNC."

He added that the delegations are starting to discuss the socioeconomic question and that, in this framework, they will also discuss the participation of the Farabundo Marti National Liberation Front (FMLN) in the political life of El Salvador.

"Once we cover the socioeconomic matter, we will immediately proceed to the conditions for a halt to armed confrontation, and we would only have one last pending point on the agenda: the timetable," Santamaria asserted and added "but, we do not consider this problematic, it is only complicated."

The round of talks in San Miguel de Allende, 472 km northeast of Mexico City, does not have a fixed ending date. However, the parties have started to mention that they will hold a recess prior to reaching final agreement to end the hostilities that have continued in El Salvador for the past 11 years and in which approximately 80,000 people have been killed.

Santamaria explained that the government "does not want to be harnessed to dates" but he did mention that "the process could conclude before the end of the year (...) we do not share the opinion (of the FMLN) that these things must be settled by 15 December."

The minister reaffirmed that the "meeting has advanced significantly, substantially, and we are working toward final agreement."

The guerrillas and the government have both pointed out the advances made, but have refused to give details on the topics in which agreements have been reached and have concealed the points in which discrepancies continue.

Alvaro De Soto, personal representative of the UN Secretary General at these negotiations, has stated that progress has been made, but has also refused to give a date for the end of the process.

FMLN Welcomes UN Secretary General's Offer

PA0712042791 Paris AFP in Spanish 2053 GMT 6 Dec 9?

[Report by Antonio Ortega]

[Text] San Miguel de Allende, Mexico, 6 Dec (AFP)—Rebel spokesman Roberto Canas said that the guerrillas "received with satisfaction" UN Secretary General Javier Perez de Cuellar's proposal to transfer the peace negotiations to New York, because "this would bring the possibility of signing an agreement closer."

A UN communique, issued today in San Miguel de Allende, states that "it is the belief of the secretary general, based on reports and recommendations of his representative (Alvaro de Soto), that it would be advisable to transfer the talks to New York soon—if possible, early next week."

Canas pointed out that "we share Perez de Cuellar's opinion on the transfer to New York because it would propel efforts to end the conflict and increase hopes that an agreement could be reached sometime before the end of the year."

In New York, he added, Perez de Cuellar and Under Secretary General Marrack Goulding, in charge of "the verification of a cease-fire" could participate in the negotiations.

The spokesman for the Farabundo Marti National Liberation Front (FMLN) said that negotiations and debates to "clean up texts and advance in the identification of differences" continue in San Miguel de Allende, 472 km northwest of the Mexican capital.

He added that the idea is to bring to New York, if both parties accept Perez de Cuellar's proposal, the points "on which we have not yet reached agreements" pertaining to a reduction in the size of the Armed Forces and national civil police.

Canas said that the government and guerrillas are already dealing with the crucial issue and the only thing left is delving into the future participation of the FMLN in El Salvador's political life once the end of the hostilities is realized.

The issue of the cease-fire and a timetable will be discussed at a meeting at UN headquarters.

Canas said that it is difficult to predict when this transfer will take place because the parties have not yet discussed it, although—he pointed out—the secretary general would like it to take place as soon as possible.

The government has not yet reacted to the UN announcement, but Presidency Minister Oscar Santamaria said that it would be desirable for the parties to advance on the details of points of discrepancy as much as possible before a recess is called.

Canas said that the possibility of holding talks in New York "is a step closer to the signing" of a final agreement, but added that "deciding when it will take place and what can be advanced" here in San Miguel, where the talks began on 25 November, is still pending.

De Soto said that a transfer to New York would result in a new thrust and "all resources of the organization would be available" to advance the search for an agreement to end the war in El Salvador.

Guatemala

Serrano Names Defense Minister, Chief of Staff

PA0712173991 Panama City ACAN in Spanish 1519 GMT 7 Dec 91

[Text] Guatemala City, 7 Dec (ACAN-EFE)—Brigadier General Jose Domingo Samayoa Garcia was sworn in last night as Guatemala's new defense minister at the instruction of President Jorge Serrano, Army general commander, it was reported 7 December in a Presidency communique.

Samayoa Garcia replaces Division General Luis Enrique Mendoza, whom Serrano appointed first defense minister on 14 January.

The surprising changes in the military leadership include that of General Edgardo Augusto Godoy Garcia, defense chief of staff, who was removed from his post and replaced by General Roberto Perussina Rivera.

A Guatemalan Presidency spokesman today reported to ACAN-EFE that the changes "are part of an year-end internal reorganization carried out by the government."

Nicaragua

Daniel Ortega on Regrouping Sandinists

PA0612174991 Managua BARRICADA in Spanish 30 Nov 91 p 3

[Interview with former President Daniel Ortega Saavedra, secretary general of the Sandinist National Liberation Front, FSLN, by Maria Alicia Talavera; place and date not given]

[Text] The Sandinist National Liberation Front, FSLN, will begin discussions on a new battle that must be waged. This time it will not be in the military field as during the struggle against the Somoza dictatorship or during the war imposed by the United States.

In the following interview, FSLN Secretary General Daniel Ortega Saavedra refers to that battle, which must be waged in the field of ethical and moral values. The need to regroup the various sectors of Sandinism—which he admitted are currently dispersed—and the changes that are required in the old structures were among the topics he discussed during an interview before departing to Brazil. In fact, Ortega will mention similar subjects regarding the new struggles of revolutionary parties at the Congress of the Brazilian Workers Party (PT).

[Talavera] What is the FSLN's main battle?

[Ortega] The most serious threat is not from imperialism's weapons or violent actions by the ultraright. The biggest battle must be waged in the field of ethical and moral principles. We are facing a reality in which Nicaraguans are being sold the idea of the goodness of a consumer society. There are attempts to make us change our values and revolutionary ethics.

It is here where I believe revolutionaries face an enormous challenge.

It is not a matter of being against private property, but of supporting something that is more important than any material object.

Revolutionaries are not in an advantageous position. We are in a very difficult position. At this point, we must start creating a new awareness.

We do not want a society of hungry people or to transform Nicaragua into a monastery. We want to awake in our society the feeling of solidarity that exists in all human beings.

[Talavera] How is Sandinism preparing for that new phase?

[Ortega] This has to do with a debate within Sandinism. We discussed that point at the Sandinist Assembly. We must decide what values and ethical principles will unite us in this new phase of the struggle. When Sandinism struggled against Somoza, our capital was moral, not political. We had no material capital.

For years we struggled with nothing else than our moral capital. After the triumph of the revolution we had political, material, and moral capital. In addition, there was an ethical government—although government officials had very low salaries, they were not allowed to receive commissions.

We failed to change in this regard by not considering that the FSLN had grown in power. We had double standards: A minority of Sandinist activists bounded under those values; and businessmen and producers, who joined later.

At the same time, there was also a deterioration in values, as material power tends to contaminate other ethical values.

Despite the FSLN's defeat at the elections, we can still count on a Sandinist Front with political capital—we believe that this is our strongest point—and some material resources.

We have a Sandinist Front with very disperse forces. We held the Congress—which I believe was a political necessity—in an attempt to gain a minimum of concurrence among those Sandinists who could join a process when there were problems linking the Sandinist masses to the same. The expectations of the Congress were much greater than what we could ever accomplish.

This is why we talk about unity. We cannot say that after the Congress we have improved our communication mechanisms and our methods of regrouping all the Sandinist forces.

I believe that in this aspect we are still quite limited. This is the result of the structure with which we went to the Congress. We did not have time to think in a creative way and to bring forth new initiatives. Rather, we acted mechanically and in a conservative manner.

The world's social reality reflects a weakening of party structures that translates into a distancing of the people from the organized forces in the political parties. This is reflected, in general, in low voter participation.

We have to assume that the current FSLN structures are the best. However, those of the National Directorate, the Sandinist Assembly, the Congress itself, the departmental committees, and the mass organizations tend to be exclusionist.

Our goal is to regroup our forces and reach a consensus. We have not been able to break away from the past structures with new forms of organization. In these new forms of organization, we leaders must understand that we are dealing with politically aware social forces who learned to value themselves during revolution, and who now demand equal participation.

This has created a large communications vacuum for the leaders of the organizations, that is between the elected members and the large social masses who are the moving force behind the revolution.

We are faced with the primary challenge of finding forms and methods of organization and communication in order to regroup the dispersed Sandinist forces. Many are confused, but want to work. As a start, we must reunite the Sandinist forces to be able to work toward a national consensus.

This has happened because we had established forms of organization that no longer caused administrative or mechanical problems, but did have significant implications on the level of involvement or awareness the Sandinist forces.

These issues must be resolved before we can begin to think about truly strengthening the revolution in the minds of the Nicaraguan people, and to think with hope about the true significance of a new election and how the FSLN can participate in and win those elections.

These new elections must be won with a revolutionary force that will strengthen the Nicaraguan people's awareness. We cannot look for votes just for the sake of votes, but rather for the sake of strengthening the awareness of the people with regard to the order of the values when the great battle takes place.

We have to find a way to raise the people's ethical and moral principles and values in this new phase with a factor that will unite all Sandinists on the various social and economic levels.

Why are there Sandinists who have and others who have not? How can we all unite? Only ethical and moral values can unite us.

[Talavera] Are the differences between the Sandinists who have and those who have not very significant?

[Ortega] Yes, these differences are quite significant in the current situation.

The only thing that can unite us are those ethical principles, and this requires a search for solidarity among Sandinists.

[Talavera] Do you believe that solidarity among Sandinists exists, or has it been weakened?

[Ortega] I believe it has been greatly weakened, but there is potential for the future. There is a great deal of confusion. Many think we should all become businessmen and use as role models Rockefeller, or Japan, and companies such as Mitsubishi or Sony. We were defeated at the elections as a result of the collapse of socialism. Now a new consumerism has taken over, and it would seem that there is no other choice than to become consumers, businessmen, capitalists, and to start defending and justifying those values.

Well, it is one thing for a comrade, due to the circumstances, to be involved in the business or industrial world, while maintaining a firm belief in ethical goals and other values that might even have to do with the future of the world.

It is another thing to alienate oneself from all of this, and to adopt an attitude that is no longer even pragmatic.

We started to discuss this in the recent Sandinist Assembly, but we still have a long way to go. We in the Sandinist Front can no longer continue making decisions in small groups from which magic solutions are supposed to emerge.

The future of the revolution, of Sandinism, of our proposals on ethical values and principles, can no longer be debated only in the Directorate and in the Sandinist Assembly. These issues must be the subject of serious and broad debate from which we will emerge united and strong. It is ethical and the moral values that will make Sandinism strong.

[Talavera] What would be the role of the Sandinist Assembly?

[Ortega] We, the leaders, have to become promoters of the debate of all these issues and of the mobilization of our people. We must understand that insofar as we can promote the people's participation, we will be strengthening the unity of Sandinism.

[Talavera] Does that imply changes?

[Ortega] Certainly, this means changes. The problem is that it is ultimately the comrades who are at the head of the organizations who are blamed for the failures, when in reality they are not to blame. It is simply the organizational structure that limits them.

We must make adjustments that will change our awareness. We must foster changes of concepts.

The first step taken has been to organize the Committee of Organization and Mobilization in the Sandinist Assembly [Comision de Organizacion y Moblizacion en la Asamblea Sandinista]. We are not going to find a magic solution; rather, we will grow, we will include in the debates the greatest number of comrades possible from all the sectors and levels of Sandinism. This means from the cotton grower, to the cattle raiser, the craftsman, the small producer, the farmer, the industrialist, the government employee, the unemployed, the soldier, the policeman, and the reporter....

Insofar as we listen to each other, we will then have the opportunity to transmit what we have heard to the others.

We will then be establishing the foundations for a minimum of communication to find organization and mobilization solutions in line with the new reality in force in Nicaragua.

INDERA Takes Over Regional Government House

PA0612143091 Managua EL NUEVO DIARIO in Spanish 3 Dec 91 pp 1, 8

[Text] The Executive Committee of the Broad Autonomy Defense Movement [Comite Ejecutivo del Movimiento Amplio de Defensa de la Autonomia—MADA] has reported that Brooklyn Rivera, director of the Nicaraguan Institute for the Development of the Autonomous Regions of the Atlantic Coast (INDERA), failed in an attempted takeover of the Atlantic Coast government.

EL NUEVO DIARIO confirmed that 33 INDERA workers took over the Puerto Cabezas Government House at 1000 on 2 December, and demanded the dismissal of Governor Leonel Pantin and Uriel Vanegas.

MADA Executive Member Armando Rojas told this newspaper, just after making radio contact with RAAN [Northern Atlantic Autonomous Regions], that these people took over the regional government installations following a brief meeting in Sin Sin.

Del and Alejo Teofilo, Cirilo Wilson, and David Rodriguez were among those who took over the installations. Rodriguez wants to replace Pantin, and Del wants to replace Vanegas.

A communique issued by MADA, an organization that represents all coastal sectors, states that "disrespecting the constitution, the autonomy statutes, and other laws of the republic, Mr. Rivera intends to oust Uriel Vanegas, president of the North Atlantic Regional; the Yatama [Miskito, Sumu, and Rama indians, and creole groups organization] president; and Governor Leonel Pantin..."

"The movement firmly rejects this uprising by a minister of state and demands that the central government rigorously apply the law to this coupist minister," the communique ends.

It was learned that the high-ranking officials—freely and democratically elected—were dislodged from Government House, but they are well.

Rojas interpreted Rivera's act as retaliation for the demand by the autonomous region representatives that the central government disband INDERA.

Groups Seek Rivera's Dismissal

PA0612144391 Managua Radio Sandino in Spanish 1200 GMT 5 Dec 91

[Text] The political forces of the North Atlantic area—the Miskito, Sumu, and Rama Indians, and Creole Groups Organization [Yatama]; the National Opposition Unity; and the Sandinist National Liberation Front—have united to request that the Nicaraguan Institute for the Development of the Atlantic Regions of the Atlantic Coast [INDERA] be dismantled and Brooklyn Rivera, whom they accuse of being the main promoter of the 2 December coup attempt, be dismissed.

The Puerto Cabezas Government House continues to be occupied by some 30 Yatama men on 5 December. A joint police and Army operation reopened traffic on the road leading to Waspam. It is expected that negotiations will continue on 5 December. Let us listen to Uriel Vanegas, president of the Regional Autonomous Council of the North Atlantic:

[Begin Vanegas recording] The regional government will hold talks with delegations (?that were installed today) to discuss strategic projects to benefit those who have been affected by war in the North Atlantic autonomous region. These are the only two [word indistinct] that we are proposing. The other points are not under discussion.

At 1400 on 4 December, we regrettably intercepted a message from Brooklyn Rivera in Managua to Government Ministry representative Kenneth Bishop stating: Please do not evict the boys from Government House. This is our last chance, and we must resist until the end.

We believe that this man should be immediately dismissed, because such actions do no good for the North Atlantic autonomous region. Brooklyn Rivera is a minister of state, and this is not the first time he has acted in this manner in the Atlantic region. The Presidency of the Republic has remained silent; it has not reprimanded him.

We believe that now is the time for the Presidency of the Republic to do something about INDERA and Brooklyn Rivera, and to enforce the mandates and resolutions issued at the second symposium on autonomy held in the North and South Atlantic autonomous regions. These mandates and resolutions demanded that INDERA be dismantled immediately and that its resources be distributed equally to the governments of the North and South Atlantic Autonomous Regions. [end recording]

Captured 'Recompas' Identified as EPS Members

PA0812022691 Managua Radio Corporacion in Spanish 2300 GMT 5 Dec 91

[Text] A group of 30 recompas who were captured on 23 November turned out to be members of the Sandinist People's Army [EPS] led by 1st Lieutenant Andres Hernandez Obando, a Southern Front communique has reported. The captured soldiers belong to the 53d Brigade that is stationed around Nueva Guinea and under the command of Captain Berrios. The men were captured in the vicinity of Los Laureles, where they were searching for Commanders Rafa, Fatal [Lucio Sequeira], Cafe Negro [Agustin Rivera], and Recuerdo [Pablo Gonzalez] of the Southern Front.

According to a communique issued by the members of the Nicaraguan Resistance [RN], they want to show that they want peace and reconciliation and therefore they have turned the soldiers over to the peace commission in Los Laureles. Likewise, the RN members say that the so-called recompas are members of the police and the Army who are being provided supplies by the 53d Brigade of Nueva Guinea.

They also said that the Strategic General Staff of the Southern Front is comprised of the following: Commander Lucio Sequeira; Hector Perez, alias Giggio; Omar Martinez, alias Lobo; Juan Orozco, alias Campeon; Agustin Rivera; Alberto Flores, alias Raton; Pablo Gonzalez; Noel Urbina, alias (Robla); Wilmer Risso, alias Galo; and Erwin Barberena, alias Oscar.

* Commentary on Formation of Municipal Police

92CA0026B Managua BARRICADA in Spanish 2 Nov 91 p 3

[Article by Alejandro Aguilar Altamirano, Nicaraguan Institute of Economic and Social Research: "Pray Devoutly but Hammer Stoutly"]

[Text] In the context of Nicaraguan reality, any government action that has sectorial or national repercussions—any action that could put at risk the fragile security of the large and medium-sized political blocs that were delimited in 1990—should be meticulously weighed in the balance.

Consider that our country is just beginning to emerge from a 10-year war in which—unlike other wars—the adversaries did not live in different nations but rather in the same region, in the same neighborhood, or even in the same block. We also have profound social and economic problems that we will not be able to solve even over the long term, and many of these problems are tending to become more serious.

This socioeconomic situation—combined with the politicization of the entire society—obliges first and foremost the government, and secondly all responsible sectors of society, to consider seriously and objectively the consequences of every act—or failure to act—unless, that is, they are practicing demagogy and doing exactly the opposite of what they profess, here where everyone at least is talking peace and reconciliation.

The appearance on scene of the "municipal police" or "municipal inspectors" (or whatever you want to call them) in no way helps to overcome the basic contradictions of the present situation. It is obvious that the nature of any such force—whether armed or not—whose duties are vigilance, investigation, maintenance of public order, and the like is eminently repressive, and the creation of a new force that is even more repressive than those already in existence serves to further contradict the government's discourse.

In the final analysis, the important thing is not whether the "municipal police" are an armed force or not, because in Nicaragua arms can flow from the water pipes of houses or be dug like tubers from deep in the earth.

In our country any problem relating to labor is presented, viewed, and treated as a political problem, and in practice does indeed become a political problem overnight; and any problem relating to credit or prices is likewise viewed as a political problem and resolved as if it were a political problem.

Why is this? Because most of the organic structures of our civilian society—or of any of their forms of expression—are in greater or lesser measure subordinated to political parties (and in most cases identified with them), and because behind every problem—irrespective of its nature—we always imagine we see "shadowy forces" or "Machiavellian aims."

In a context of these social contradictions, to disarm on the one hand and rearm on the other is therefore obviously counterproductive.

To go from a centralized force that has a single and clearly defined structure and chain of command subordinated to the Executive Branch—a force that has a single disciplinary system and years of experience in dealing with crime—to a structure composed of more than 100 small coactive forces with sufficient capability to repress any sector that a mayor (who will be the supreme authority) deems it *appropriate* to repress—whether in the interest of the municipality or of his party or simply in his own personal interest—is an irresponsible act.

How could anyone who seeks to bring peace—or even stability—to our country believe that the solution is to create dozens of police forces (or forces of "inspectors") to defend or safeguard interests that each individual mayor will define?

It is inexplicable—within the framework of a constructive and rational logic—to sponsor militarized structures at a time when the National Police is hard put financially to solve even a few of the hundreds of crimes that are committed daily and when it does not have the resources to deal with the increasing wave of drug distribution which in less than two years has inundated our streets, secondary schools, and recreation centers.

All of this seems irrational, particularly in the light of a politicized society in which the mayors are the most politicized of all. No one who is striving for "a future for everyone"—for "reconciliation," for "stability," for "working together to build a nation," for "a nation of and for everyone"—can argue that creating autonomous police forces will bring stability to Nicaragua.

Where in Central America—where in Latin America—do the police forces function as autonomous municipal organs? In what country that has political, social, and economic conditions similar to ours is this possible?

One should practice what one preaches. The slogan "pray devoutly but hammer stoutly" will have only negative consequences for our country, because the glass of social unrest is still full and another drop—of any kind—could destroy the little progress that has been made.

If this step is taken, we shall accordingly have neither peace, nor stability, nor production, nor any possibility of emerging from our condition of underdevelopment—and we shall probably not have a nation either.

Mayors Address Letter to UN Envoy

PA0612195191 Managua Radio Corporacion in Spanish 2343 GMT 5 Dec 91

[Text] The mayors who are members of the Let Us Save Democracy organization held a news conference for local journalists at Comapa on 5 December to report on the many crimes and violations of human rights perpetrated by Sandinist policemen in Chontales, Boaco, and Zelaya Departments. Deputy Rosita Buitrago of the National Opposition Unity will now read a letter that the organization addressed to the UN envoy. This is Deputy Buitrago.

[Begin Buitrago recording] Mr. Francisco (?Vincenzo), resident coordinator of the UN program in Nicaragua.

Dear Sir: We, the undersigned, mayors who represent the citizens of Chontales, Boaco, and Central Zelaya Departments, were moved to address this letter to you after carefully considering the dramatic situation in our areas as a result of the violent actions perpetrated by groups irresponsibly armed by political leaders of the Sandinist National Liberation Front. These individuals have on several occasions robbed and killed honest workers, as well as their wives and children, in our towns and villages. These actions were indiscriminately perpetrated against citizens of all political inclinations. We are so desperate that we have been forced to request assistance from the United Nations, which you represent well. You have done our people so much good. We are addressing this letter to you because we have lost hope and faith in our civilian, military, and police authorities supporting and protecting the population. To illustrate our concern, we wish to mention the events that occurred in just two weeks.

1. On 19 November, armed men assaulted four trailers and four station wagons on the road between Espavel and Presilla on the highway to El Rama. These are the names of some of the people who were robbed. Otto Mojica, delegate of the regional Nicaraguan Telecommunications and Postal Services office; Dr. Felix Guandique, governmental delegate to Juigalpa; Abel Fernandez, Juigalpa cattleman; and Lieutenant Benitez, deputy chief of police in El Rama. Marvin Bello, Francisco Vargas, Jose Bello, and Santos Urbina, the perpetrators of these assaults, were detained by the rural police. They are being held at the Muelle de los Bueyes prison. The arms these men were using were destroyed during an event held by the office of the Muelle de los Bueyes mayor on 3 December.

2. On 28 November, a group of masked men assaulted an ambulance on the road to El Rama, near Juigalpa.

3. On 1 December, a station wagon was shot. Anastasio Lurdi, Melecio Ramirez, and Asuncion Ramirez, three Muelle de los Bueyes residents, were killed.

4. In Lovago on the same day and on the same road, the same armed group attacked a Tabacalera Nicaraguan station wagon and shot to death Juan Martinez and Mel Ramirez. [end recording]

Daniel Ortega Comments on Managua Mayor

PA0612194991 Managua Radio Ya in Spanish 1200 GMT 4 Dec 91

[Text] Commander Daniel Ortega Saavedra, secretary general of the Sandinist National Liberation Front

[FSLN], returned to the country on 3 December after attending the National Congress of the Workers Party of Brazil as a special guest.

Commander Ortega was questioned about the statements made by Managua Mayor Arnoldo Aleman Lacayo, who announced that he will accuse Commander Ortega of being responsible for the incidents that took place on 9 November.

The Sandinist leader said that Mayor Aleman only wants to stand out and take control of national right-wing politics from Virgilio Godoy and Alfredo Cesar.

Ortega said that no importance should be given to statements from a person such as Aleman. Aleman used stubborn words; the search for national dialogue, peace, and national stability is the only thing that matters, said the FSLN secretary general.

Joint Commission Concludes Work on Property Law

PA0912043591 Managua EL NUEVO DIARIO in Spanish 6 Dec 91 pp 1, 8

[Text] Representatives from the Executive and Legislative Assembly Joint Commission—which is responsible for reconciling the positions of both branches on the issue of the property bill—concluded their task on 5 December, stating that many points of coincidence have been found. However, Joint Commission representatives have said that some differences on the need to act within the framework of a state of law as well as problems arising from Laws 85, 86, and 88 could not be reconciled.

Problems Originated From Guidelines Each Group Had

According to a Joint Commission source, the problems really originated from the guidelines each group had. While the representatives of the legislative branch wanted to reform Law 133, the representatives of the executive branch were determined to issue reforms or a new law to reconcile the aspirations of the assembly with the executive decrees and respect for the rights acquired through the aforementioned laws. This would be in line with the state of law, the source added.

Formal Differences

The most important formal difference is that, in the event the veto is withdrawn, Law 133 cannot be reformed without first being published. If Law 133 goes into effect, even if modified by another law, juridical measures such as mass expropriation would immediately go into effect. Consequently, anyone could invoke the aforementioned legal figures to take advantage of them.

Major Differences

One of the most important major differences is the form and the nature of the compensation and the actions that will be adopted with regard to the legitimate buyers, as specified by Laws 85, 86, and 88, once the Office for Territorial Reorganization [OOT] has reportedly identified and ended the abuses committed under the aforementioned laws.

Possible Solution

Although not specified in the Joint Commission communique, the formal difference will probably be resolved by accepting the veto of Law 133, leaving the OOT to quantitatively reduce the problem, and drafting—during the next legislature—a new bill that would reconcile both branches on the contradictions that are still pending.

Under the aforementioned circumstances, the acceptance of the veto would be less traumatic and it would not leave a sense of victory or defeat, which has affected resolution of this problem. So far, everything has focused on the political sensibility of the Assembly president and the minister of the Presidency.

Following is the text of the final Joint Commission document:

"After many efforts to try to reconcile the positions of the legislative and executive branches—within the framework of a state of law—on the property legislation, we report that some important points of agreement have been identified in most of its aspects.

"The studies and analyses of the proposals presented at the commission also revealed the need to produce, by mutual agreement, the text of the bill. It would facilitate the full solution to the problems of property.

"Despite the willingness and efforts of the delegates who form the Joint Commission, there are still some major differences that have to be overcome to give Nicaraguans, once and for all, a definitive solution to the different problems that have arisen from Laws 85, 86, and 88.

"This Joint Commission concludes that, after having fully discussed and analyzed the matter in question, each delegation should present before their corresponding higher authorities the reports and recommendations that they deem convenient."

Government To Renegotiate Paris Club Debt

PA0612143991 Managua BARRICADA in Spanish 5 Dec 91 p 7

[Report by Marcio Vargas]

[Text] Foreign Cooperation Minister Erwin Krugger has announced an "extremely important" foreign debt negotiation between Nicaragua and the industrialized countries that are members of the Paris Club, scheduled to be held in the French capital on 16 and 17 December.

Yesterday [4 December] was not one of Krugger's best days. During a news conference held by the "economy cabinet," he mixed up dates, names, and even sexes but, after taking a break, he was more coherent, insisting on the "importance" of the upcoming meeting in Paris.

He explained that Nicaragua owes the Paris Club countries a total of $830 million and for the past year "we have been lobbying" them and it will all end in this two-day negotiation.

"If a favorable agreement is reached, the doors to financial resources will be opened up for Nicaragua by the industrialized countries," Krugger said.

He added: "This negotiation will normalize Nicaragua's financial situation because we have already settled our debts with the international financial institutions and we can now settle them with the industrialized countries."

Despite his great optimism, however, Krugger complained about the country's political instability. He said "the wild incidents" that took place in November caused "concern" among the donor countries.

"The donor countries have told us they will not provide aid for it to be burned or destroyed. They want it to be used for Nicaragua's economic development," he explained.

"To burn trucks or destroy buildings is to behave like a savage," he said.

Foreign Cooperation Minister Erwin Krugger said the important support given to the Economic Stabilization Plan has "impressed" the countries that can provide financing.

Finally, he said Nicaragua's current foreign cooperation strategy is to reduce its debt and to obtain financing. He added: "This requires great discipline."

Government Signs Economic Aid Agreements

PA0612035491 Managua Sistema Nacional de Television Network in Spanish 0330 GMT 3 Dec 91

[From the nonofficial "Extravision" newscast, directed by Manuel Espinosa, former information minister under the Ortega administration]

[Text] On 3 December, the Foreign Cooperation Ministry signed two economic aid agreements. The first agreement, worth slightly more than $18 million, was signed with the Netherlands for coastal protection support to the Port of Corinto and agricultural and cattle-raising technical training. The second cooperation agreement, worth $1.3 million, was signed with the United Nations and the Netherlands to support programs for Atlantic Coast Autonomous Region refugees.

Panama

Foreign Ministry on U.S. Violation of Airspace

PA0712000491 Panama City Circuito RPC Television in Spanish 2324 GMT 6 Dec 91

[Text] The Panamanian Foreign Ministry today protested the U.S. authorities' violation of Panamanian airspace, which took place during the afternoon of 6 December when a U.S. helicopter was observed flying over Panama City. Foreign Minister Julio Linares made the following statement with regard to the Panamanian Government's stand:

[Begin Linares recording] A protest note was presented to the U.S. Embassy during the afternoon of 6 December. The Foreign Ministry summoned the U.S. charge d'affaires, since Ambassador Hinton is not in Panama. The charge d'affaires said that the helicopter was taking photographs in the Canal Area. However, regardless of the helicopter's mission, it should not have flown over Panamanian airspace unless it had prior authorization from the Panamanian Government.

That authorization can be granted through two channels only: 1) directly from the Foreign Ministry; and 2) through the Panama Treaty Affairs Executive Directorate. The U.S. Southern Command did not present any such request at any time. [end recording]

Editorial Critical of Violation

PA0812192791 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Dec 91 p A4

[Editorial: "An Airspace Violation"]

[Text] The airspace of a nation that prides itself on having any dignity is as sacred and inviolable as its land, seas, and natural resources. A violation of that airspace is deplorable; particularly when it is perpetrated by a country claiming to be our ally for progress, a country that says it has respect for the assets and honor of others, and a country that boasts that it is a champion of human rights, a defender of freedom, and an example of chivalry.

The airspace of the Republic of Panama, a nation that gained its independence on 3 November 1903, was flagrantly violated by a U.S. Army helicopter gunship. The daring action was carried as far as overflying important public buildings such as the Presidency of the Republic, the Attorney General's Office, and the Foreign Ministry. It naturally caused fear and concern in the aftermath of the trauma that has yet to be erased from citizens' minds since that unfortunate day of 20 December 1989.

Soldiers of the most powerful Army in the world spy on and mortify a small nation in which they share responsibility for a canal that they must turn over at the end of the century.

Who authorized the helicopter gunship's violation of our airspace and why? The reasons are unknown, and it is inconceivable that the whole situation is being treated as a mistake.

We will never accept such an action because it would diminish the integrity of a nation striving to rid itself of the vexation and suffering caused by political differences between those who ruled up to 20 December 1989 and the nation whose flag has stars and stripes and waves in North America.

The action perpetrated on 6 December requires a reasonable explanation. It could not have been an accident. The reasons are unknown, but the helicopter gunship's presence was worrisome.

What is the meaning of this action? We might endorse the idea—although it would be unwise—that this is the beginning of a new provocation against Panama, just like in the past, to destabilize the government, spread fear, or revive the social trauma that has afflicted thousands of Panamanians since the armed action launched against us two years ago.

On this occasion there is no room for political, social, religious, or any other kind of differences: differences that may have been used by foreigners to divide us and render us docile to the whims of another state. The unanimous protest of all the organized groups in the country is essential to show the world that Panama is still a nation that demands respect for its integrity and sovereignty on land, sea, and air.

Foreign Minister Julio Linares' prompt reaction and demand via the appropriate legal channels for an explanation from the U.S. Government through its ambassador was appropriate. His action, as a Panamanian who is aware of the seriousness of the situation, must not be an isolated one. We must combine our efforts and support his protest in order to light the bonfire of respect for our nation.

The day on which the powerful U.S. Government must give us back all the lands, waters, rivers, brooks, and lakes it has occupied since the beginning of the century is near, but the threatening attitude of its airplanes and, on certain occasions, the language of some of its representatives compel us to be concerned about the destiny that awaits our country.

The Foreign Ministry's protest must not lack support. The Panamanian people must, in one way or another, endorse it. In this way it could be the seed that sprouts the much hoped for national unity for the defense of our sovereign rights that has been precluded by political emotions.

Plane Receives Bomb Threat, Forced To Land

PA0712040691 Panama City Circuito RPC Radio in Spanish 0341 GMT 6 Dec 91

[Report by Hugo Famanias in Panama City—live]

[Text] We interrupt our programming to bring you a last-minute report. Members of the Police Investigation Department [DIP], the National Police, and State Security are conducting a search operation at Tocumen Airport to find an explosive device in an American Airlines plane that was flying from Lima to an unspecified U.S. city.

During the flight from Lima, the crew received a report that a bomb had been placed on board. Therefore, the plane had to land at Tocumen Airport.

Experts from the DIP, National Police, and State Security are trying to locate the bomb. So far, nothing has been found. The reports we have received so far do not specify how many passengers were on board.

Mayor Ricardo Guardia, of the Metropolitan Police, has confirmed this report.

Argentina

Joint Fishing Communique Released With UK

PY0612200091 Buenos Aires TELAM in Spanish 1704 GMT 6 Dec 91

[Text] Buenos Aires, 6 Dec (TELAM)—Argentine and British representatives have agreed to improve and harmonize the presentation of data on fish species and on how to develop a joint scientific research program on the most significant deep-water species south of latitude 45 degrees south.

In a joint communique released in London and Buenos Aires at the end of the two-day meeting in Great Britain, the "South Atlantic Fishing Commission" reported that the third meeting will be in Argentina in May 1992.

After stating that the meeting "was held within a climate of cordiality, both delegations showing a constructive spirit," the text released by the Argentine Foreign Ministry details the communique's 10 points.

The commission "studied the operations of the fishing fleets and the situation of fish species in the South Atlantic," while expert technicians from the two countries studied how to "improve and harmonize" the presentation of data on those species, a task that will be consolidated "as soon as possible."

The Argentine delegation, which was headed by Jose Maria Otegui, director of the Foreign Ministry Malvinas, South Atlantic, and Antarctic Departments, proposed a "joint scientific research program for the most significant deep-water species south of latitude 45 south."

It was thus decided that "Argentine and British scientists will meet in Mar del Plata at the Institute for Fishing Development and Research, a week before the third commission meeting, which will be held in May 1992" in Argentina.

The Argentine and British representatives, the latter headed by Merrick Baker-Bates, director of the Foreign Office South Atlantic and Antarctic Affairs Department, also considered "the relevant fishing laws that have been approved, or that will be approved soon, as well as the conservation measures adopted by the two countries."

The commission also studied "the effectiveness of the total prohibition temporarily imposed by the two governments on all commercial fishing vessels of any country."

The commission studied "ways to develop cooperation to prevent illegal fishing in the South Atlantic and agreed to recommend to their respective governments the methods to improve that cooperation."

According to the communique, the two countries' representatives agreed to include in the commission meeting "the formula regarding sovereignty over the Malvinas, South Georgia, and South Sandwich Islands, agreed upon by the Argentine and British Governments in point two of the joint declaration issued in Madrid on 19 October 1989."

Tax, Pension Reform Bill Sent to Congress

PY0712000291 Buenos Aires BUENOS AIRES HERALD in English 6 Dec 91 pp 1, 5

[Report by Andy Gregg]

[Excerpts] In another bold economic move the government proposed a dramatic overhaul of the country's pension fund and tax systems yesterday, in a bill sent to Congress which would do away with the 16 percent employers' contribution on wages, replace it with an 18 percent tax on primary profits and eliminate income tax for wage-earners below the 10,000 dollars a month bracket.

The proposals were unveiled by Economy Minister Domingo Cavallo and Labour Minister Rodolfo Diaz during the "Argentina 92" seminar held at the Plaza Hotel. The bills, which would go directly to privately managed pension funds. The 16 percent employers contribution on wages will be replaced by an 18 percent IEPE [Tax on Gross Company Surplus—Excedente Primario de las Empresas] tax on primary profits. The new system will continue providing retired workers a minimum state pension.

The ambitious pension privatization programme was officially announced by Diaz, who pointed out that the exceedingly low ratio of contributors/recipients led to the total collapse of the current pension system. The present system "is not in crisis, it is dead," Diaz said. The draft bill which sets the framework to the new pension fund capitalization system was sent for consideration to Congress yesterday, together with a tax reform bill endorsed by Economy Minister Cavallo. [passage omitted]

On the macro-economic front, Cavallo said that revenues raised in privatizations scheduled for next year, plus loans currently being negotiated with the IDB [Inter-American Development Bank], World Bank, the Japanese government and the IMF (a much sought after extended facility loan) will enable Argentina to raise enough capital to successfully renegotiate its entire foreign debt.

President Menem predicted an annual inflation of five percent and a Gross Domestic Product increase of six percent next year.

He reiterated that the government's objectives will continue to be the maintenance of fiscal equilibrium, fighting tax evasion, and keeping up the pace of privatizations and decentralization.

The central government will get "very tough" with rebel provincial governors who fail to restructure their bloated administrations, Menem warned. [passage omitted]

Menem To Ask Adviser To Resign in 'Milkgate'

PY0812225291 Buenos Aires BUENOS AIRES HERALD in English 7 Dec 91 p 11

[Excerpts] (NA-DYN)—President Carlos Menem will ask presidential adviser Carlos Spadone to step down in the near future after he confessed to selling the government contaminated powdered milk, but the President will keep his personal secretary, Miguel Angel Vicco on his staff, a government source said yesterday.

The high-ranking government source added that Menem asked Vicco to appear on the state-owned ATC television channel news show Hora Clave and clear himself of involvement in the "milkgate" scandal. According to the source, Menem will only force Vicco to resign if the government complies indisputable evidence against him.

In addition, Buenos Aires Governor-elect Eduardo Duhalde defended Vicco from any wrongdoing and laid the blame on Spadone.

"I don't know if everything charged will be proven, but I'm sure that Vicco is not involved in this business and I want to know how we can repair the damage already done," said Duhalde adding that "although there is no evidence to back up these charges, sometimes they become major scandals." [passage omitted]

In an article published last week, the Buenos Aires daily Pagina 12 accused Vicco of being a part owner of Sastre SA and Era SA, the companies which received a government contract to sell milk to a state welfare programme. The article also charged Spadone with being the president of Summon, the company which was in charge of distributing the contaminated milk to the recipients of the mother- children national welfare programme.

Also, the ecology group Greenpeace said that the milk, which reportedly has high contents of E. coli bacteria, is also radioactive. According to the ecology organization, the milk was imported from abroad and the expiration date had elapsed.

Socialist Deputy Simon Lazara sued Vicco earlier this week for illegally obtaining a government contract for his company while working for the government. Vicco, however, repeatedly denied owning stock in either company or being linked to the contaminated milk scandal. Era SA President Carlos Santunioned, who is also a shareholder of Sastre SA, reaffirmed that Vicco is a shareholder in Sastre SA. [passage omitted]

Bolivia

Acting President Rules Out Armed Forces Cuts

PY0512134891 La Paz Television Boliviana Network in Spanish 0200 GMT 5 Dec 91

[Text] Acting President Luis Ossio Sanjines has ruled out any possibility of gradually reducing the members of the Armed Forces or the idea of its complete abolition.

Ossio Sanjines added that thinking about abolishing the Armed Forces would be like thinking about abolishing other basic institutions, such as the Catholic Church, the Bolivian Labor Federation or the universities. He indicated that the Armed Forces have an important role to fulfill in the country, including the preservation of national sovereignty and participating in national development tasks.

[Begin Ossio recording] I believe that every country seeks its identity through the affirmation of its cultural values and also through its basic institutions.

Bolivia is now consolidating the overall integration of its institutions, regions, and cultures. From this point of view the Armed Forces, the Bolivian Labor Federation, the church, the universities, and all important organizations are on the way to integration and consolidation. This concept is related to the recent comments about the Armed Forces. The Bolivian Armed Forces are essential from the geopolitical aspect. They are essential for national integration and for its consolidation. This concept has been heard in Congress, in the Bolivian Labor Federation, and in all the important sectors of the nation. [end recording]

Armed Forces Commander on Cuts

PY0712140091 La Paz Television Boliviana Network in Spanish 0200 GMT 5 Dec 91

[Text] The Armed Forces have emphatically rejected the possibility of their abolishment.

This is a project considered by the Bush plan, under which the armed forces of Latin American countries will be gradually reduced. This report has created reaction in all circles of our country. Armed Forces Commander General Alejandro Camponovo now comments:

[Begin recording] [Camponovo] As I have already said, this is an idea or a study by some analysts or politicians. We know that our Armed Forces were born with the country on 6 August 1835. We are part of the people. We are not strangers to anybody. We wear a uniform but we are Bolivian citizens fulfilling our obligations.

[Reporter] Is this idea unanimously rejected?

[Camponovo] You can see that this idea is rejected. The political parties and many of the people are rejecting it. We of course as members of the Armed Forces emphatically reject it. [end recording]

Banzer Nominated as Presidential Candidate

PY0712195291 Madrid EFE in Spanish 0139 GMT 7 Dec 91

[Text] La Paz, 6 Dec (EFE)—Former Bolivian President Hugo Banzer Suarez will again be a candidate to rule the country in the 1993 election by virtue of an agreement reached today by the Patriotic Agreement, the ruling coalition led by Banzer.

Members of the Movement of the Revolutionary Left (MIR) and the Nationalist Democratic Action (ADN), which was founded by Banzer, met in Santa Cruz to discuss the outcome of the 1 December municipal election. According to observers, this election changed the Bolivian political layout through the emergence of a third force.

Banzer, who ruled the country from 1971 to 1978, said he is willing to run once again—he has run in every election since 1979—and that he is going "to work from the first day of 1992 to achieve an unquestionable victory in the 1993 general election."

The Solidarity Civic Union (UCS), which was founded three years ago by brewery businessman Max Fernandez, on 1 December obtained 23 percent of the votes while pro-government parties saw their political superiority reduced in Pando, Cochabamba, and Potosi Departments.

Opposition parties also have started to form alliances, which will cause the ruling coalition to retain only one capital, Cobija of Pando Department, where it will have nine of 13 councilmen.

The municipal government of the other nine departmental capitals will be controlled by the opposition after agreements reached by leaders of the UCS, the Nationalist Revolutionary Movement (MNR), and the minority groups United Left and Free Bolivia Movement.

Furthermore, Conscience of the Fatherland (Condepa) obtained the mayoralty in La Paz, which had been the "stronghold" of the MIR-ADN coalition, by defeating pro-government candidate Ronald MacLean.

The MIR-ADN leaders maintained their decision to honor simple majorities in the municipal election as an expression of the people's will and to leave it as a precedent for the 1993 general election.

Bolivian President Jaime Paz Zamora told EFE last June that Banzer would be the presidential candidate. He then was criticized by the opposition "for having moved ahead of events."

Cochabamba Peasants Suspend Coca Eradication

PY0612133491 Madrid EFE in Spanish 2314 GMT 5 Dec 91

[Text] La Paz, 5 Dec (EFE)—The Regional Civic Committee of Cochabamba reported today that some 70,000 Bolivian peasants have suspended the eradication of coca plantations until the government fulfills its commitments with Cochabamba, the biggest coca producing zone.

The producers of coca, the raw material from which cocaine is produced, have reiterated their decision to stop eradicating coca in support of the Civic Committee and the Cochabamba departmental congressional bloc which decided to suspend the eradication of coca plantations until the government fulfills its economic commitments.

The document that was aired today indicates that the Civic Committee of Cochabamba comprises cultural, professional, and neighborhood organizations that defend the regional progress. It has "suspended the reduction of the coca plantations" as a first measure to pressure the government.

The tropical region of Chapare, where 80 percent of the coca is produced, is located in Cochabamba's central valley. The crop is estimated at 150,000 tons a year.

In an agreement with the United States, the government agreed to eradicate 7,000 hectares of coca plantations per year, but by 31 October only 4,775 hectares had been eradicated and the government is unable to eradicate the remaining 2,225 hectares by the end of the year.

U.S. Ambassador Richard Bowers, on 4 December, announced that his government is willing to grant an extension beyond 31 December to allow Bolivia to complete the eradication of 7,000 hectares and thus unfreeze an aid package of $22 million to compensate the balance of payments.

The announcement was made at the end of a meeting with Interior Minister Carlos Saavedra and antidrug authorities in the eastern city of Santa Cruz, 903 km southeast of La Paz. The main guidelines of the Bolivian Government's new antidrug policy were outlined during the meeting.

The Civic Committee is demanding the disbursement of the resources that Jaime Paz Zamora's government assigned for development, irrigation, and potable water projects, and the handing in to the Italian Embassy of a contract annex in order to conclude the second phase of the airport that is being financed by Italy.

On 18 November the government signed an agreement with the Civic Committee to disburse resources for development and new work projects in the department.

Campesino leader Evo Morales said: "We cannot continue under pressure from the United States, seeking to subject us to an eradication that has not brought any benefit for us." He added: "Events have imposed upon us the thesis of 'coca for nothing,' and we will not tolerate it."

Morales referred to the government "coca for development" policy that was implemented to substitute not only the coca plantations, but also the economy generated by drug trafficking. According to studies made by private consultation enterprises, some 300,000 persons are involved in the drug industry.

'Foreign Meddling' in Army Exercises Disallowed

PY0612130891 La Paz Television Boliviana Network in Spanish 0200 GMT 6 Dec 91

[Text] The Bolivian Armed Forces will not allow any foreign meddling in military exercises in our country. This remark was made by Defense Minister Alberto

Saenz Klinsky while discussing the possibility of joint exercises with U.S. personnel. This is not the case, he pointed out.

[Begin recording] [Saenz] Even though he is the electoral court president, I consider the remarks of (Guillermo Kenning) to be personal, strictly personal, and in keeping with the democratic atmosphere prevailing in our country. I am sure that this democratic atmosphere will prevail for a long time.

[Reporter] Nevertheless, the Armed Forces are reportedly going through a modernization process.

[Saenz] Exactly, but not because of Mr. (Kenning) or because of Mr. (Kenning's) remarks, but because of a directive issued by his excellency, the president of the Republic. [end recording]

Brazil

* Collor Approves Investments for Infrastructure

92SM0114C Sao Paulo GAZETA MERCANTIL in Portuguese 1 Nov 91 p 3

[Article by Brasilia correspondent Claudio Kuck]

[Text] Minister of the Infrastructure Joao Santana said that at the second sectoral meeting on state corporations held yesterday at Planalto Palace, President Fernando Collor approved the minister's multi-year plan calling for investments of $79.6 billion by 1995. The administration has decided to promote a resumption of investments in infrastructure projects that had been suspended. Investments will start at $12.25 billion in 1992 with even higher outlays—20 percent greater—forecast for 1993.

Santana said that 70 percent of the funding will not come from the National Treasury, but will be self-generated or produced by the sale of services, as well as obtained through the "national or international" capital markets "or through associations with sources of private capital."

The plan calls for investments between now and 1995 to amount to $39 billion in the energy sector, $20.7 billion in communications, $12.25 billion in transportation, and $7.42 billion in metals and mining. The projects administered by the National Highway Department and the Xingo Hydroelectric Plant (on the Sao Francisco river between the states of Sergipe and Alagoas) will be financed by the Treasury, while investments in the ports sector will be funded by the Port Tariff Surcharge (ATP).

The minister explained that the petroleum sector is one of the ones that will receive the most investment funds—as much as $20.42 billion by 1995—but with special emphasis on refining, quality, and shipment. Even so, the Petrobras goal under the plan submitted to Collor is to produce one million barrels a day of oil by 1994.

Investment in electricity generation will amount to $18.7 billion, enabling construction work to continue on the Xingo dam as well as the Samuel (Rondonia State), Ita (Rio Grande do Sul State), Manso (Mato Grosso State), and Serra da Mesa and Corumba I (Goias State) hydroelectric plants, as well as the Angra I and II nuclear-powered generating plants (Rio de Janeiro State). Also on the list are several thermoelectric plants and transmission systems. In communications, the plan calls for installation of 4,467,120 telephones all over Brazil and the launching of the Embratel satellite. Investments in postal services will amount to $636 million.

Priorities in the transportation sector will be given to preservation and restoration of the federal highway network, widening and paving of highways, expansion and modernization of ports, as well as expansion of the railroad system. The latter includes the Goias-Minas-Espirito Santo export corridor; commuter trains in Belo Horizonte, Porto Alegre, Recife, and Rio de Janeiro; and the Transnordestina Railroad.

Collor has also approved investments by Vale do Rio Doce Company (CVRD) to complete and put into operation its two integrated mine/railroad/port systems at Carajas (Para State) and in Minas and Espirito Santo. The company is also supposed to finish installation of the Costa Lacerda-Capital Eduardo railway linking the Vitoria-Minas rail route with Belo Horizonte. CVRD will also develop plans to produce gold, copper, and kaolin and is supposed to boost its production of cellulose, resume construction of an alumina plant, and do research into production of titanium, niobium, chrome, and coal.

Santana made a point of saying that implementation of the multi-year plan will be possible only because the government has been able in the recent past to overhaul state corporations, renegotiate debts, save money, fire civil servants, deregulate some areas, and adopt new planning methods. At the same time, the policy of charging tariffs for government services at levels that reflect real costs will continue.

The minister of the infrastructure explained that by means of financial engineering, the government has managed to make arrangements to handle its debts of $700 million, particularly in the electricity sector. "We have already negotiated with the consultants and builders from the contractors and are in the final stages of negotiations with the suppliers of equipment to the Eletrobras System, and everything is to be paid off in bonds over a period of several years," he assured his audience. Furthermore, agreements were reached with states that owe money to the Eletrobras System, such as Sao Paulo, Goias, and Minas Gerais. These were the principal debtors, and they have started making payments again.

The minister also said that substantial changes have been authorized in Valetur, one of the CVRD subsidiaries. Under the decree, CVRD, which had a 51 percent share of Valetur,

will be left with 49 percent and control will pass into the hands of the Leopoldina-Cataguazes group. In a second phase, CVRD will sell off another portion of its holdings in Valetur, "in line with its institutional mission, which is to encourage development and investment."

* Viability of Mercosur Integration Questioned

92SM0114B Sao Paulo GAZETA MERCANTIL in Portuguese 2-4 Nov 91 p 3

[Article by Christina Lamb of the FINANCIAL TIMES]

[Text] Six months after the treaty was signed that creates a duty-free common market in Latin America's Southern Cone, the arrangement, baptized Mercosur, is exhibiting surprisingly promising results.

Not only has there been a big increase in trade among the member countries—Argentina, Brazil, Paraguay, and Uruguay—but the region has produced an unprecedented series of accords between governments and the private sector dealing with an infinity of matters, from arms control to hydroelectric projects.

Under the Treaty of Asuncion, the four countries are committed to setting up a free trade zone by the beginning of 1995, featuring common tariffs for foreign products. But Carlos Chiarelli, Brazil's minister of regional integration, says there has already been a measurable impact—an increase of $3 billion in regional trade this year.

More ambitiously, the governments have agreed to coordinate their policies in different areas ranging from agriculture, manufacturing, and transportation to monetary policy. But as the Brazilian economy deteriorates, with inflation running out of control and import levies and tariffs persistently high, the other members are starting to question the viability of integration. Brazil, by far the biggest member of Mercosur, accounts for 78 percent of the 194 million inhabitants of the region and 82 percent of its combined gross product. This means its performance is crucial to the undertaking.

While even Argentina has succeeded in cutting its inflation rate to 2 percent a month, that of Brazil is at 21 percent and its average tariffs of 35 percent on imports are well above those levied by the other members. Instability still characterizes its economy. Two weeks ago, the Central Bank of Brazil announced a 16 percent devaluation in the cruzeiro; last week, its government announced the return of price controls.

Brazilian Private Sector Still Cautious

When the four Mercosur presidents hold their first official meeting in Uruguay in December, Brazil's Fernando Collor is likely to be asked some hard questions. Cars are one of the most problematic issues. The Brazilian import tariff is 60 percent, compared with 35 percent in Argentina—although Buenos Aires also limits imports. But in a common market where Brazil is the leading maker of automobiles, the smaller countries fear being forced to buy Brazilian cars.

Christian Magarino, president of the [Argentine] national association of automobile dealers, complained recently that "we do not want to be prisoners of Brazil; we want to buy from Japan or the United States." There are even some Brazilian businessmen who question the validity of Mercosur. Glauco Jose Cortes, director of the Center of Industries of the State of Santa Catarina, said that "common markets are not compatible with imposition of successful economic shock treatments. Market economies require free competition, with elimination of government controls."

Despite the differences, the past six months have seen the taking of many practical steps toward integration. Quotas on international truck traffic were eliminated and customs posts are being integrated. Memoranda of understanding have been signed between the stock exchanges of Brazil, Argentina, and Uruguay.

The three nations are investing $100 million in fiber optics to improve communications and are talking about a joint satellite. Treaties have been signed to keep the region free of nuclear and biological weapons.

A meeting in Uruguay next week will discuss ways of solving trade disputes and dealing with piracy of intellectual property. But the private sector is cautious about Mercosur. Albano Franco, president of the National Confederation of Industry, warns that Brazilian manufacturers could end up on the losing side, a view echoed by his Argentine colleague.

Recently, however, business has been promising. The firm that assembles French Renault cars through its Argentine subsidiary has signed an agreement with Cofap, a Brazilian auto parts maker, to import components that have no competitors in Argentina. This year it will spend the equivalent of $2 million on parts, and plans to raise this to $5 million next year. Renault, which has 28 percent of the Argentine market, wants to associate with a Brazilian group in order to enter that much larger market.

Quite a few sensitive areas remain. Brazil, the only member that has a computer industry, for example, is afraid of seeing its market flooded by cheap personal computers from Paraguay. But progress has been made in other tough areas, such as paper and cellulose.

Marcos Azambuja, of the Brazilian foreign ministry, acknowledges that the least developed area is macroeconomic integration; other Brazilian officials say that, regardless of its economic condition, keeping Brazil in Mercosur is important to the other members because it gives them access to a much larger market. They add that only 4.2 percent of Brazil's total exports stay in the region, compared with 14.7 percent for Argentina, 35 percent for Uruguay, and 39.6 percent for Paraguay.

Meanwhile, Brazil has benefitted the most so far, since it saw its sales to Argentina double last year and trade with Paraguay and Uruguay climb by 50 percent and 24 percent, respectively.

* USP Seeks Contracts With Soviet Scientists

92SM0119B Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Nov 91 p 9

[Article by P.C.]

[Text] Sao Paulo University (USP) is negotiating to contract for the services of 20 foreign scientists, most of whom are Soviet nationals. These researchers are active principally in areas of knowledge that are on the frontier between science and technology. The USP Rector Roberto Lobo's intention is to republish—on a reduced scale—what was accomplished in the 1930's when foreigners such as the French anthropologist Levi Strauss came here to set up the university programs.

The first scientists could arrive here as early as 1992. According to the physicist Jose Antonio de Freitas Pacheco—coordinator of the committee that considers and evaluates resumes of individuals whom the various departments of the university would like to hire—the USP will identify sectors where researchers are needed. "The internationalization of learning in our universities is inevitable," Lobo says.

For these sectors, the USP wants to hire—for an initial period of two years—scientists from East Europe who wish to move to another country. These scientists can subsequently be incorporated into its teaching staffs. There are also short programs for scientists from other countries who can stay for a shorter period of time.

Superconductors

The committee has already sent the first list of names to Professor Luiz Gonzaga Belluzzo, special adviser on foreign relations for the Sao Paulo state government. Belluzzo is the "bridge" to the source of financing for the project.

The USP is still treating the matter with caution, because it fears that financial difficulties could hinder the project. "Bringing in people from other countries is a serious matter," Pacheco says. The USP expects the project to be funded at between $250,000 and $350.000 per year.

There are an additional 40 persons whose resumes are being studied by Pacheco's committee. These applicants—who have already been contacted—should have at least 10 years of postdoctoral experience and a good record of scientific achievement. "Brazil has plenty of young holders of the doctorate; what we need is people with experience," Pacheco declares. It is also important that the scientist have experience in the production sector.

These scientists would, for example, assist in research in the area of ceramic superconductors. The largest number of requests to hire scientists has come from the university's Polytechnic School; in this case, U.S. and Japanese scientists would work in "frontier" fields such as the production of chips and graphic computers.

* Renegotiated Oil Contract With Iran Discussed

92SM0114D Sao Paulo GAZETA MERCANTIL in Portuguese 12 Nov 91 p 15

[Article by Rio correspondent Fatima Belchior]

[Text] The most recent negotiations between Petrobras [Brazilian Petroleum Corporation] and the National Iranian Oil Company (NIOC) resulted in a gain for the Brazilian state petroleum corporation. On all the product imported from Iran—current volume 162,000 barrels a day—Petrobras will have 40 days from the date of the issuance of the document attesting to delivery at the point of origin in which to make payment. Over a six-month period this will mean a savings to Petrobras of about $1.4 million, or $0.05 per barrel.

These figures were made available to this newspaper yesterday by Petrobras's director of marketing, Mauricio Alvarenga, who negotiated with the Iranians in early October concerning the new basis for the petroleum purchase contract with NIOC. Alvarenga returned last weekend from a trip to Iran, on which he accompanied a Brazilian delegation from Itamaraty and business groups. Petroleum was not a topic during those meetings.

Until last October, when the contract between Brazil and Iran was renegotiated, the 40-day payment period had been valid only for quantities purchased in excess of the old contract, which was for 100,000 barrels a day. Since this additional amount is 80,000 barrels a day, plus or minus 10 percent of the overall amount, Petrobras had been able to get 62,000 barrels a day under the 40-day payment rule. But the most recent negotiations (in October) extended the payment period from 30 to 40 days for the 100,000 barrels per day, too. In general, oil suppliers offer a 30-day payment period, said Alvarenga. The contract with the Iranians will be valid from 1 October 1991 to 30 March 1992.

Suppliers

Iran is Brazil's leading supplier of oil. It is followed by Saudi Arabia, which sells 120,000 barrels a day to Petrobras, and by Venezuela, Qatar, and China. The volumes sold by the last three were not revealed by the marketing director, as they are considered to be trade secrets. Petrobras is renegotiating its contract with China and has bought oil from Abu Dhabi without a contract.

Alvarenga acknowledged the possibility that Brazil may resume imports of petroleum from Kuwait at the same level as it purchased before that country was invaded by Iraq—140,000 barrels a day. Obviously, as he pointed out, the volume will depend on negotiations (price and terms), but Petrobras is interested in diversifying its list

of suppliers. Kuwait has good petroleum and sells it at market prices. Expectations are that it will resume sales at the end of 1992.

Expenses

Petrobras will close out the year with gross expenses of $3.2 billion on petroleum imports. Last year, its expenses reached $4.3 billion (FOB [freight on board]), having been greatly affected by the crisis between Iraq and Kuwait that boosted the price of oil to $40 a barrel.

Over a period of about 70 days since August, oil prices have risen by an average of about $2.70 to $3 per barrel. There are several reasons for this, according to Alvarenga: the absence of Iraq and Kuwait from the seller market; reduction of Soviet production and exports; the arrival of winter in the northern hemisphere; and the reduction of 500,000 barrels a day in the quotas of the OPEC member nations. He said that Petrobras had already anticipated this possible reaction by the market and so has not yet had to revise its figures on 1991 expenditures.

* Oil Drilling Contract With Cuba Negotiated

92SM0119D Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Nov 91 p 15

[Article by Fatima Belchior]

[Text] Rio de Janeiro—Braspetro [Petrobras International, Inc.] and the Petroleum Union—the government entity responsible for oil exploration and production in Cuba—are already in the discussion phase of negotiations looking toward exploration of the northern coast of that country by that Brazilian state enterprise, which is a subsidiary of Petrobras [Brazilian Petroleum Corporation].

One year ago Braspetro included Cuba among those Latin American countries whose petroleum basins could be surveyed. When this phase was completed, its technical experts left to make the technical evaluations and also to study questions relating to the nature of the contract.

If it reaches an agreement with the Cubans, Braspetro—which already has contracts to explore for oil in Argentina, Colombia, and Ecuador and is negotiating with Cuba, Bolivia, and Peru—will sign a standard risk contract whereby the oil discovered will be shared between the partners in the undertaking. After its interest in Cuba has been established, the search for a partner—as is customary in all the countries in which Braspetro operates—will, however, be a new step for the Brazilian enterprise to take.

According to Renato Bertani—the manager in charge of Braspetro's New Undertakings division—the enterprise's interest is directed toward land and marine basins, and in this case toward a stratum of water (distance from the surface to the bottom of the sea) of up to 350 meters. "The area has potential," he stated, "for otherwise it would be of no interest to us." He emphasized, however, that it is already producing oil.

Cuba currently produces between 15,000 and 18,000 barrels of oil per day (Brazil's production is 700,000 barrels per day) and imports much of what it uses from the Soviet Union. Exploration for oil had previously been carried out in Cuba by the Americans (before the revolution). More recently Cuba's basins were opened up to foreigners, but the French company Total is the only company exploring for oil at the present time.

* Changes in Policy Toward Middle East Observed

92SM0114A Sao Paulo GAZETA MERCANTIL in Portuguese 13 Nov 91 pp 1, 3

[Article by Brasilia correspondent Maria Helena Tachinardi]

[Text] The Collor administration's policy toward the Middle East has three objectives: guarantee the country's source of petroleum; open up export markets, especially for services; and please the Arab and Jewish communities in Brazil—in which the Lebanese alone number two million, and there are 250,000 Jews.

Foreign policy toward the region has had two watershed moments: the 1973 petroleum shock, which caused Brazil to move closer to the Gulf nations; and the crisis provoked last August by Iraq's invasion of Kuwait, which led Brazil to replace Baghdad with Teheran as the center of attention in the region after some hesitation by Brazilian diplomats, who resisted loosening the ties with Brazil's preferred partner in the region.

Brazil's approach to Iran, which began last November with the trip by then-Minister of the Infrastructure Ozires Silva to negotiate increases in petroleum purchases in exchange for Brazilian participation in major projects to rebuild that country, worries the United States and Israel because of the extremist nature of the regime of the ayatollahs.

"The attempt to move closer to Iran is legitimate, but we are afraid of the fundamentalist and fanatic nature of Iranian policy," Israeli diplomatic sources told this newspaper. This concern was most recently rekindled by the convocation of an "anti-Madrid peace conference 'conference' at which it was declared that Islam's objective is the destruction of Israel."

The Shamir administration fears that Iran is receiving nuclear cooperation in order to beef up its arsenal. "Iran's posture, like that still assumed by Iraq, alarms even the Arab countries because Iran is playing to win regional hegemony. Its extremism is part of a game to gain the support of radical Islamic elements in the Middle East and elsewhere," Israeli diplomats commented.

They hope that the relationship between Brazil and Iran does not expand beyond the trade area.

Itamaraty is discussing only the trade and economic aspects of its relations with the Iranian government. This became clear during last week's visit by Foreign Minister

Francisco Rezek to Teheran. There, he defended the interests of Brazilian companies, such as construction contractor Andrade Gutierrez, the Zanini-Dedini consortium, Mafersa, and the firms that specialize in building low-cost housing.

Brazilian diplomats say Brazil is being cautious in its dealings with Iran but that the sale of non-nuclear armaments has not been ruled out.

There has been another change in foreign policy, not so much imposed by events like the Gulf crisis as brought about by President Collor's desire to make Brazil part of the First World. Even before he took office, the president had signalled the Jewish community in the United States that this country would support cancellation of U.N. Resolution 3,379 of 1975, which calls Zionism a kind of racism.

Collor once again emphasized that concern this year in a speech to the General Assembly. When he read his speech at the opening ceremonies of the United Nations, the Brazilian decision appeared to have been stated timidly, diplomatic sources in the Middle East noted. The text said that Brazil opposes labels but avoided saying that Brazil would not vote this time the same way it voted in 1975, since it considers that Zionism is not comparable to racism.

"That was consistent with a certain timidity on the part of Itamaraty, which is reluctant to state things clearly, something the diplomats themselves sometimes call 'staying on the fence,'" a ministry source commented.

At any rate, Itamaraty confirms that Brazil will vote against Resolution No. 3,379, which is likely to come up for a vote by the time the General Assembly adjourns in December.

This change in position was applauded by Israel because it made the bilateral relationship more balanced than under previous administrations. Especially under the military governments, Brazil used to condemn the occupation of the Palestinian territories by supporting U.N. Resolutions 242 and 338 but never took the trouble to make the dialogue less cold and distant.

As became clear during Rezek's trip to Cairo last week, Brazil still considers Israel's acquisition of new territories by force to be inadmissible, but at the same time maintains that it will vote against the Zionist vote at the United Nations.

Differences Between Iran and Iraq

"Iran will not be another Iraq," says an Itamaraty source, comparing the differences between Brazil's old relationship with Iraq and its current dealings with Teheran. In the first place, the "countertrade" mode is no longer being used. The term refers to compensated trade in which petroleum is the product that drives the operation. During the era of exchanges with the Iraqis, Banco do Brasil and Petrobras sustained losses in order to ensure that Brazilian firms made profits. Furthermore, that scheme fostered corruption in the now-extinct Interbras. Today, trade with Iran proceeds on the basis of payment for oil within 40 days and immediate payment for Brazilian products, thanks to a side letter [preceding two words in English] signed last July by the National Iranian Oil Company (NIOC) and Petrobras. There have been problems in compliance with the terms of the side letter, but Rezek's mission was able to get around the difficulties.

Another difference, the diplomats explained, is that in their dealings with Iran the Brazilian firms are unwilling to send a large contingent of Brazilian workers into Iranian territory. In writing the contracts, they pay attention to the freedom of their personnel to come and go. They also provide for training Iranian manpower in Brazil, for later assignment to the projects underway in that country.

Finally, another distinction being made is that the government is cautious and does not intend to provide nuclear technology to Iran.

Foreign Policy Concerns

In Teheran, Rezek tried to persuade the Iranian government to hire Brazilian companies to execute a part of the reconstruction program that is worth $120 billion over a five-year period. Brazil hopes to derive an advantage from its imports of 162,000 barrels of oil a day.

In Cairo, the minister signed a joint communique with his counterpart Amre Moussa that specifies, more emphatically than Itamaraty had previously, the need for Israel to return the territories to the Palestinians in exchange for peace and an end to the Arab boycott against Israel.

That has always been the policy advocated by Brazil, but it was pursued more timidly. The fact that U.S. President George Bush, Israel's chief ally, has succeeded in suspending a $10 billion loan to the Shamir government, despite the Jewish lobby [preceding word in English] and the pressure from the Senate, in order to force it to comply with Resolutions 242 and 338, has left Brazilian diplomacy even freer to ask, in unison with the Egyptians, for "land for peace" [preceding three words in English].

Israeli diplomatic sources told this newspaper that relations between the two countries are improving and moving toward a "gradually positive status." Even so, it has been 20 years since Brazil has sent a high-level representative to Israel, while Labor Party leader Shimon Peres was here in 1987. Israel Defense Minister Moshe Arens is scheduled to visit Brazil, but not at the invitation of Itamaraty.

At any rate, when it backed the Madrid conference, Brazil sensed more flexibility on the part of Israel, which at least agreed to sit down at the table to negotiate with Jordan, the Palestinians, and Syria.

As regards Egypt, the first Arab country to be included on the foreign minister's itinerary, Brazil wanted to signal the importance it attaches to a dialogue with Cairo. Egypt is a poor country, its oil has a high sulfur content that is not of interest to Brazil, but it plays a key role as a moderator in that region. After 1977, when it signed the Camp David accords with Israel, Egypt was shunned by its Arab partners.

Last year, as proof that it is still trustworthy, Cairo reassumed its role as the headquarters of the Arab League, which had been transferred from Tunis. Egypt's role is to defend Arab policies in a moderate way. In exchange, it hopes to receive financial backing from the wealthy partners such as the Emirates. Brasilia and Abu Dhabi are negotiating a triangular operation by which Egypt would receive Brazilian technology in the area of tourism, paid for by the Emirates.

SAE Preparing Nuclear Policy Bill

PY0512200691 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Dec 91 Section 1 p 7

[Report by Sonia Mossri and Sylvio Costa]

[Text] Over the next few days the Strategic Affairs Secretariat (SAE) will send to Congress a bill outlining the Collor government's nuclear policy. Pressed by the military, the SAE dropped a bill creating a committee to review operating conditions in the nuclear area, with powers similar to those vested in the National Commission for Nuclear Energy.

Under pressure by the U.S. Government, the SAE, along with the Foreign Ministry and the Science and Technology Secretariat, also is preparing a bill restricting exports, technological transfers, and rendering of services of sensitive material abroad.

Chile

Terrorist Groups Announce More Intense Actions

PY0212163091 Santiago EL MERCURIO in Spanish 23 Nov 91 p C14

[Text] The extremist MAPU-Lautaro [Lautaro United Popular Action Movement] organization has stated that it has begun a resolute armed struggle against the system of government, the institutions, and the Constitutional government of President Patricio Aylwin. The group considers 1992 will be a outstanding year for promoting violence.

An individual who identified himself as spokesman for the main group within this terrorist movement, phoned UPI. He said that this period of greater intensity has already begun with armed propaganda actions and a bank holdup.

The anonymous caller said that during this period they will "wage an all-out fight" against the democratic system, which they harshly criticized. The spokesman, who claimed to speak for the "Lautaro Rebel and Popular Forces," added that "we are witnessing the rise of a popular movement. In 1992 we will go all the way."

The Lautaro Rebel and Popular Forces consider themselves the armed branch of the subversive organization that was born in 1983 as a result of a split within the MAPU during the fifth MAPU plenary session in Lima, Peru. Its members have weapons and paramilitary training.

In the final part of his announcement, the alleged spokesman said: "We want to directly confront the system, the state, and the government. We place special emphasis on the relationship between ourselves and the state. Consequently, there is an offensive in this area."

The FPMR [Manuel Rodriguez Patriotic Front] in Germany

While in Bonn, Germany, Jose Molina, leader of the FPMR—a Chilean guerrilla group—said: "We cannot lay down our weapons while unjust situations prevail in Chile."

Speaking to some Latin American journalists, Molina said that they will not give up all forms of armed struggle and that their final objective is to establish a just social project in Chile.

Accompanied by two other FPMR members who did not mention their names, Molina admitted that his organization is undergoing a process of internal discussion and that it will insist on all forms of struggle, like hunger strikes and all types of action "for imposing the right to social justice and true popular participation."

He said: "We claim the right to bring the murderers and torturers of the previous regime to justice because most of them are free and living a normal life in Chile."

He categorically denied, however, that his organization is responsible for the murder of Senator Jaime Guzman or for the alleged abduction of Cristian Edwards del Rio.

Molina said that the democratic government of President Patricio Aylwin is administering a state that was inherited from the "dictatorship."

He said that the security organizations and the security and repression apparatus of the previous military regime remain untouched, adding that the police and other forces are currently using torture.

Molina said that the FPMR does not plan to participate in elections or to join the Chilean political life.

The FPMR spokesman, now on a long tour of Europe, hosted a news conference in Bonn during which he said that the poverty of many Chileans justifies their struggle—even the armed struggle.

The FPMR, which was born in 1983 from the Chilean Communist Party, is engaged in an intense internal discussion process to redefine its position in the face of the political changes that have occurred in Chile.

Hungarian President Discusses Expansion of Ties

LD0712092691 Budapest MTI in English 2143 GMT 6 Dec 91

[Text] Santiago de Chile, December 6 (MTI)—Talks between Hungarian President Arpad Goncz and Chilean business leaders are going well with agreements made on a whole range of economic issues geared at increasing trade turnover between South America and eastern Europe.

The Chilean-Hungarian Chamber of Commerce is to open an office in Budapest soon, while a Chilean federation of industrialists delegation will visit Budapest to explore business opportunities, it was announced at a breakfast hosted by the Chilean-Hungarian Chamber of Commerce honouring Goncz today.

Goncz is currently on a four-nation South American tour which will also include Ecuador, Colombia and Venezuela.

Chilean business circles want to expand cooperation with Hungary but have warned the country should actively encourage the development of ties.

There are opportunities to expand the currently meagre trade between the two countries, Chilean businesspeople said.

Last year, Chile's exports to Hungary rang in at 7.4 million USD, while Hungarian deliveries amounted to 2.5 million.

Proposals were also put forward to boost tourism. The Chilean-Hungarian Chamber of Commerce has requested the two Chilean airlines to include Budapest in their flight schedules.

The Hungarian airlines Malev is also reported to be ready to conclude a cooperation agreement.

As another way to develop ties, Chilean economists have raised the idea of the two countries signing an investment protection agreement and a treaty eliminating double taxation.

Hungary can serve as a bridgehead for South American countries in their efforts to reach the East-Central European region, Goncz said at the talks.

Although Hungary attaches prime importance to its EC relationship, it does not want to 'lock itself up' in Europe, on the contrary, it wishes to be open towards other world regions, Goncz said.

Hungary would willingly take part in South American agricultural policies, the Hungarian president added.

As part of his Friday schedule, Goncz laid wreaths at the monument of first Chilean President Bernardo O'Higgins and at the one dedicated to the 1956 Hungarian revolution.

Later, he met representatives of Chilean literature.

Urges Political Prisoner Release

PY0712134091 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 6 Dec 91

[Text] Hungarian President Arpad Goncz, who is visiting Chile, has expressed his hope that all Chilean political prisoners will be released.

Goncz today began the last leg of his visit to Chile with a meeting at the national library with noted writers. During a news conference this afternoon, Goncz said that the possibility for Hungary to join the EEC would give Chilean products more access to European countries. He said that this will be possible because of the economic cooperation agreement reached between the two countries, which will be of major help to Chile regarding environmental protection and water sanitation.

Goncz also referred to the situation of political prisoners in Chile. He said: I cannot advise a foreign country's leadership, but this morning I said that as a former political prisoner I wish that all political prisoners would be released.

Goncz will leave Chile tomorrow to continue his tour of other Latin American countries.

Goncz Meets Press, Departs

LD0712223191 Budapest MTI in English 1746 GMT 7 Dec 91

[Text] Santiago de Chile, December 7 (MTI)—"My visit to Chile was far beyond expectation. The talks revealed that the Central European Hungary and the Latin American Chile are faced by many similar problems, which allows to draw numerous lessons of mutual concern," Hungarian President Arpad Goncz summed up the experience from his visit to Chile, the first leg of his South American trip. The president of the Republic of Hungary on Saturday left for Ecuador. Previously, Goncz told a Friday evening news conference that the Hungarians do not want to get stuck in Central Europe, but are seeking contacts with farther regions. Accordingly, Hungary wishes to place its hitherto relations with Chile on a regular footing. There is every hope for a qualitatively new relationship to emerge, he said. Asked whether he talked with President Patricio Aylwin Azocar about the matter of political prisoners, Goncz said diplomatically that the fate of people imprisoned for political reasons (which he had experienced himself) has to be settled in a humane manner throughout the world. At the talks President Aylwin gave the impression of a sincere, humane person ready to do everything possible in the interests of political prisoners, Goncz said. In a speech at the Chilean Council of International Relations, Arpad Goncz said with regard to the Yugoslavian situation that Hungary, anxious about the fate of Hungarians living beyond the borders, welcomes all international efforts towards settling the crisis. "Nevertheless, we are aware that the final solution is in the hands of the south Slav nations. We are responsible insofar as we should not

make a distinction between them, but should encourage their best forces to choose the European option in their own interests.

"Hungary has no intention of forming an alliance against anybody, but it does need a kind of commitment from its Western partners to the security of Hungary and the region," the Hungarian president said.

[Budapest MTI in English at 2052 GMT on 7 December adds in a report, datelined Quito, that Goncz arrived in Ecuador and was "formally welcomed by his host, President Rodrigo Borja Ceballos, at Quito military airport, after which the two presidents held a brief conversation."]

Envoy to Moscow Denies Mediation for Honecker

PY0812214691 Madrid EFE in Spanish 1850 GMT 8 Dec 91

[Text] Santiago, 8 Dec (EFE)—Chilean Ambassador to the Soviet Union Clodomiro Almeyda has denied that he is carrying out negotiations so Chile may grant asylum to Erich Honecker, former president of the extinct East Germany (GDR), although he admitted that he met Honecker in Moscow.

Almeyda's remarks were published today, 8 December, by the local press, which interviewed him on arriving on 7 December from Moscow, complying with a call from the Chilean Foreign Ministry to explain what is going on in Moscow. Almeyda is a former president of the Chilean Socialist Party who had lived in exile in East Berlin.

The German press reported a week ago that Almeyda had met secretly with Honecker in Moscow, and had assured him that a temporary visa will be granted to him to spend the Christmas and New Year holidays in Chile with his daughter Sonia, married to a Chilean, and her two sons.

When asked about this report, Ambassador Almeyda answered that "they are mere conjectures," and added that "Honecker's problem is something marginal."

The ambassador admitted, however, that he met Honecker a few days ago in Moscow.

Almeyda explained: "I am a friend of his. I have known him for a long time, both in Germany and in the Soviet Union."

When asked whether he feels that Chile should receive Honecker, the ambassador said he did not have a personal opinion, but only the official Chilean Government position.

The position of the government of President Patricio Aylwin is that if Honecker does not have a valid German passport he cannot enter Chile and, in any case, if he does, he is running the risk of an extradition request, according to a report by the German court.

Leftist sectors, and especially the Communist Party of Chile, with the support of a rightist senator, have stressed the need to grant asylum to Honecker given the fact that the GDR received many Chileans who sought refuge there after the military coup by General Augusto Pinochet on 11 September 1973.

Honecker is accused of having given the order to fire at those who crossed the Berlin Wall, where 192 Germans died in their attempts to escape from East Germany.

Honecker's wife, Margot, was in Chile between 5 and 19 October, visiting her daughter Sonia, married to a active Chilean member of the Communist Party, who lives in the town of Concepcion, 515 km south of Santiago.

Colombia

Coffee Production Agreement Reached With Brazil

PA0412155791 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 3 Dec 91

[Report by Orlando Gomez]

[Text] At the presidential summit of the so-called Rio Group, the presidents of Brazil and Colombia—which annually produce nearly 20 millions bags of coffee for world consumption—have reached an agreement to present a proposal to the International Coffee Organization.

The Rio Group presidents have signed a declaration vigorously rejecting the current Haitian Government. In a four-point commmunique, the presidents openly rejected the electoral process announced by the coupist government and requested the inflexible implementation of the commercial embargo against Haiti.

[Begin recording, Colombian Foreign Minister Nohemi Sanin Posada] We requested that not only OAS member countries but also EEC and other countries observe the embargo against Haiti to make it more effective. [end recording]

This communique has already yielded results. On 3 December morning the de facto government in Haiti opened up the possibility of a dialogue.

In addition, Colombia and Brazil signed an agreement to regulate their coffee surpluses, which will be presented to the International Coffee Organization.

[Begin recording] [Brazilian President Fernado Collor de Mello] Our intention is to join efforts with Colombia to defend a joint position regarding coffee production.

[Colombian Foreign Trade Minister Juan Manuel Santos] The coffee surpluses represent a problem of semantics because any agreement or plan that will be negotiated will need to take into consideration the surpluses. Additionally, any such agreement will have to control, regulate, or withhold the surpluses, because we are trying to limit the coffee supply to strike an equilibrium between supply and demand. So the surpluses should be part of the new agreement. [end recording]

Group Established To Protect Venezuela Border

PA0412183191 Santa Fe de Bogota EL TIEMPO in Spanish 29 Nov 91 p 9c

[Text] Cucuta— The Armies and police organizations of Colombia and Venezuela have decided to establish a joint action group to fight drug trafficking, extortion, and kidnapping along their common border.

Two units will begin to operate next week on the border corridor, from La Guajira to Puerto Inirida.

The measure was adopted in the wake of the growing number of kidnappings of Venezuelan cattlemen and merchants residing in Northern Santander Department and Tachira State.

Police Commander Guillermo Ramirez Amaya said that at the first meeting, the two sides outlined joint actions to fight gunrunning and car thefts.

The ranking officer said: "The relations between the Armed Forces of Colombia and Venezuela are going through a great moment and we must continue to cooperate to fight crime on the border."

The agreement was signed by Venezuela's National Guard, the Directorate of Intelligence and Preventive Services (Disip), the Judicial Technical Police (PTJ), and the Alien Affairs Division [Division de Extranjeria—Diex] and Colombia's Administrative Department of Security (DAS), the police, and the Army.

The two sides will exchange information to accelerate operations aimed at fighting organized crime and subversion. Criminals and subversive individuals have increased their actions in the border area.

According to a military intelligence report, the dissident faction of the Popular Liberation Army receives support from other groups in southern Cesar Department to kidnap cattlemen in the border regions of Puerto Santander (Colombia) and Bocas de Grita (Venezuela).

Ramirez Amaya noted that "this organization has a list of influential people in the region with an intention to kidnap them and collect large sums of money to purchase weapons."

At the meeting, which lasted approximately eight hours, it was agreed to install a red telephone to coordinate the operations of regular forces stationed in military garrisons on both sides of the border.

Felipe Rodriguez, commander of the National Guard in San Cristobal, said that binational agreements signed by Colombian Defense Minister Rafael Pardo and Venezuelan Defense Minister Fernando Ochoa Antich are being complied with.

He added that so far this month, there have been eight kidnappings in the border area. Four cattlemen are still in the hands of kidnappers.

For its part, the National Police disclosed that there have been 46 kidnappings in Cesar Department so far this year.

Oil Pipeline Near Ayacucho Station Blown Up

PA0512012691 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 4 Dec 91

[Text] There has been another attack on the Cano Limon-Covenas oil pipeline. Here is a report by Pilar Marin:

[Being Marin recording] This is the second dynamite attack on the Cano Limon-Covenas pipeline in less than eight days. This brings to 58 the number of terrorist actions against the pipeline this year. Guerrillas of the Army of National Liberation, ELN, blew up the pipeline at kilometer marker 491 near the Ayacucho pumping station on the border between Cesar and Norte de Santander Departments. Pumping is now halted. It is estimated that approximately 6,000 barrels have been spilled as a result of this new action.

Meanwhile, the ecological emergency caused by another ELN attack on the trans-Andean pipeline in Narino was resolved on 4 December. The 10,000 barrels spilled in the Mira River were recovered, thus preventing the pollution of the Tumaco aqueduct. [end recording]

Army: FARC Attacked Judicial Commission

PA0612010891 Madrid EFE in Spanish 0001 GMT 6 Dec 91

[Text] Santa Fe de Bogota, 5 Dec (EFE)—The Revolutionary Armed Forces of Colombia (FARC) have conducted the attack that claimed the lives of eight members of a judicial commission, a military spokesman stated, citing documents seized from the guerrilla group.

A judge, a doctor, a policeman, and five judicial officials were killed in the attack in Usme, on the outskirts of Bogota, on 26 November. They were ambushed when they were going to examine a body.

Although the police and the Army had blamed the attack on the guerrillas from the beginning, the rebels had emphatically denied they were responsible for the attack, which seriously threatened the peace process between the government and the guerrillas.

A spokesman for the Army's 4th Division reported that a secret FARC document, which was seized on 5 December in Villavicencio, in central Colombia, stated that the attack was due to "a serious tactical error that harms the prestige of this insurgent movement."

According to the document, the attack was directed at a police patrol. It added that neither the civilian population, nor members of the judiciary are guerrilla targets.

The attack led to the immediate halt of judicial activity, which has yet to return completely to normal.

FARC Claims Responsibility for Umse Killings

PA0612143591 Mexico City NOTIMEX in Spanish 0945 GMT 6 Dec 91

[Text] Santa Fe de Bogota, 6 Dec (NOTIMEX)—The eastern bloc of the Revolutionary Armed Forces of Colombia (FARC) has claimed responsibility for the massacre of eight judicial employees last week in the southern part of Santa Fe de Bogota.

In a document seized by the Colombian Army, the rebel commando deplored the attack in which a criminal arraigning judge, a doctor, and six members of the Judicial Technical Police were killed, describing it as "a tactical mistake."

"Neither the civilian population nor judicial employees are guerrilla targets," the rebel organization's internal report, seized by the military forces in southern Meta Department, stated.

The rebel group added that "the accident in Usme, in the southern region of the Colombian capital, has caused the judicial branch to mourn, but is the result of the consequences generated by a war the government has prolonged by delaying the possibility of securing a bilateral cease-fire."

"We admit that the regrettable incident was a tactical and grave mistake that has harmed the prestige of our organization," the document stated.

It explains that the incident was caused by a defect in the mechanism to set off the explosive planted against a national police counterguerrilla elite corps in that area." [no opening quotation marks as received]

The document from the FARC eastern bloc—one of the FARC's largest—reiterated "the necessity of securing a bilateral cease- fire to advance on the path of reconciliation toward a democratic peace."

The President Cesar Gaviria government warned that acts such as the one staged against the judicial mission endanger the resumption of talks, scheduled to begin again in Caracas, Venezuela, in February.

The government reiterated, through Colombian Government Minister Humberto de la Calle, that if the guerrillas continue to stage actions against the public force and the civilian population, the official commission will not return to the negotiating table.

Government Minister Conditions Talks Resumption

PA0612032691 Santa Fe de Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 5 Dec 91

[Report by Carlos Arturo Paez]

[Text] The government has defined the rules for future talks and guerrilla activities. Government Minister Humberto De La Calle Lombana said that Colombian society cannot tolerate the terms in the last Caracas agreement. This document establishes that the guerrillas suspend attacks on the civilian population, but did not mention the public forces. This is why attacks against the police and the Army have continued. The government warned it will not accept this situation.

[Begin De la Calle recording] The government feels that society cannot live with the notion that to kill policemen and soldiers is a valid action and an instrument of political action. This is condemnable. [end recording]

The minister added that the guerrillas must determine if the talks are to resume on 1 February.

[Begin De la Calle recording] It is the guerrillas who have to guarantee that the decisions adopted in Caracas will be obeyed by all guerrilla fronts in the country's interior. [end recording]

On 5 December, the Revolutionary Armed Forces of Colombia 27th Front denied their involvement in the Usme massacre and blamed paramilitary groups operating in the area. This statement increased confusion.

Military Forces on 'Maximum State of Alert'

PA0812024191 Paris AFP in Spanish 0146 GMT 8 Dec 91

[Text] Santa Fe de Bogota, 7 Dec (AFP)—Colombian military forces have been placed on a maximum state of alert to forestall terrorist actions on the occasion of the first anniversary on 9 December eviction of the communist guerrillas from the southeastern mountains of the country, police spokespersons reported on 7 December.

The police and Army, Navy, and Air Force personnel have been confined to their quarters to be ready to go into action, while tight vigilance has been ordered along the 786 km Cano Limon-Covenas oil pipeline, the country's main pipeline, which has been the target of 53 terrorist attacks this year.

Also, security has been beefed up in government buildings in all the cities throughout the country, especially in Santa Fe de Bogota, Medellin, Cali, Barranquilla, Cucuta, Bucaramanga, Pasto, and other densely populated sectors. Also, patrols have been ordered along several highways in the provinces of Santander and Cesar (northeastern region), Antioquia (northwestern region), Cauca, and Valle (southwestern region).

State security organizations have revealed that they detected plans by the communist Revolutionary Armed Forces of Colombia (FARC) and the Guevarist Army of National Liberation (ELN) to stage a terrorist offensive on the occasion of this anniversary.

Both FARC and the ELN have denied such a terrorist offensive and have insisted that they maintain a sincere stand on the government's peace process, despite the fact that the talks held in Caracas for almost five months have not ended with a cease-fire.

The talks will be resumed in February at an as yet undetermined place.

The government authorized a surprise military attack against the Casa Verde camps in Meta Department (southeastern region) last 9 December while elections were being held in the rest of the country to form the National Constituent Assembly.

Despite the surprise attack, the subversive leaders and their men escaped, although 20 were killed in a clash with troops that were deployed in helicopters and trucks.

The 7 December alert will be maintained until the coming week, military spokespersons stated.

More on 'Maximum Alert'

PA0812135391 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1218 GMT 8 Dec 91

[Text] Santa Fe de Bogota—The Armed Forces are on maximum alert in anticipation of possible guerrilla violence. Government Minister Humberto de la Calle Lombana said that all military institutions have been duly warned to prepare for any emergency.

This situation is the result of intelligence reports that guerrilla groups may escalate terrorist activities in commemoration of the first anniversary on 9 December of the occupation of Casa Verde, the Simon Bolivar National Guerrilla Coordinating Board's operations center in La Uribe, Meta.

In an effort to forestall violence, the Armed Forces have been placed on first-degree quarters confinement as of 7 December.

Guerrillas Deny Terrorism Escalation Rumors

PA0912004991 Paris AFP in Spanish 2047 GMT 8 Dec 91

[Text] Santa Fe de Bogota, 8 Dec (AFP)—The Simon Bolivar National Guerrilla Coordinating Board (CNGSB) announced on 8 December that it is not organizing an escalation of terrorism in Colombia to mark the first anniversary of the Army's attack against the guerrilla chiefs of staff, in La Uribe, Meta Department.

The CNGSB announcement came in relation to several rumors that have been circulating throughout the country about an alleged escalation of terrorism, in response to the 9 December 1991 military occupation of La Uribe, in the eastern Meta Department. The action forced the FARC [Revolutionary Armed Forces of Colombia] guerrillas—led by Manuel Marulande Velez, their legendary top leader—to retreat.

The CNGSB said that the peace process is irreversible, not because the guerrilla groups that comprise the board have been weakened, but because they have made a commitment to the country to attain reconciliation among all Colombians.

The organization warned, however, that if there is any mobilization of government troops in the vicinity of its campsites, it will have no alternative but to respond to such attacks.

The CNGSB announcement was made on 8 December by one of its spokespersons, who was present during the peace talks between the CNGSB and the government of President Cesar Gaviria from July to November in Caracas, Venezuela.

The interview was held somewhere in the country's northeastern mountain region by a reporter for the privately-owned Radio Caracol Network in Santa Fe de Bogota.

The CNGSB spokesperson, who asked not to be identified, explained that "we hope that many voices will be heard at the beginning of the new round of talks, so that we can find true, sincere, and lasting solutions in the peace process."

He said that the coordinating board—which brings together about 9,000 men from the FARC and the Army of National Liberation (ELN)—"cannot be alone in negotiating the country's future, because violence is a problem that belongs to all levels of Colombian society."

"We cannot continue to tear each other apart" the source said, and reiterated that "there will be no attacks against the civilian population in the upcoming hours."

He added that "the CNGSB leaders' attention is focused on analyzing the issues that were broached in Caracas, in order to return in February with specific proposals."

Meanwhile the Ministry of Defense said that the Colombian Armed Forces remains on full alert, ready for any aggression by CNGSB troops.

M-19 Alliance Meets To Discuss Party Changes

PA0612224891 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Dec 91

[Telephone interview by unidentified reporters with M-19 Secretary Otti Patino; place not given—live]

[Text] Approximately 100 members of the M-19 [19 April Movement] political party from all over Colombia will hold a closed-door meeting on 6 and 7 December in Bogota. The group will discuss current problems within the party.

There has been criticism of Antonio Navarro Wolff and of the M-19 leadership. It seems that there is discontent in the active membership and the party base about direction the M-19 is going. This has left everyone wondering what is really taking place inside the M-19 movement.

[Patino] Well, we are meeting to analyze the future and not just to analyze the changes taking place in Colombia. Remember that our party is growing. Our concern is how we are going to handle the March elections. That is the reason why we are meeting

[First reporter] Mr. Patino, there is a group supporting Carlos Alonso Lucio's call for changes in the M-19 democratic alliance. Will the national directorate consider this request?

[Patino] We have to consider all requests because we are a democratic movement. The M-19 is an ever-changing political force. Any positive change or suggestion that may advance the party is more than welcome, regardless of where the suggestion comes from. With respect to Carlos Alonso, I believe that he is in the initial stages of his Bogota campaign. There is nothing incorrect in this. He has the right to meet as established in the Constitution, and that is no problem or mystery to us.

[Second reporter] Mr. Patino, within the M-19 there would seem to be something more than the Carlos Alonso Lucio issue. According to the information we have received, the EPL [Popular Liberation Army], which is one of the organizations that became part of the alliance, is currently supporting Carlos Alonso Lucio. Is this correct?

[Patino] No. As far as I know there is no such union. After all, the EPL disbanded. There are some EPL members who were at one time members of the DPL [expansion unknown], but the EPL as such—I cannot imagine such a union.

[Second reporter] Yes, the EPL disbanded, but according to our information it is trying to unite once again. We also have more information that the EPL is trying to unite because it has complaints against the government on issues such as reinstatement [reinsercion]. In addition, the EPL complains that the pardon legislation is taking too long to enact and its people are starting to disband. That is the main reason why they want to organize again.

[Patino] On the contrary, in my opinion the reinstatement process is progressing. After all, the process was designed separately with each organization and agreements were made one at a time. At this time we are working on an agreement between all the organizations and the government to make the necessary changes.

[First reporter] Mr. Patino, there also seems to be a move by some M-19 members who actively participated during the early days of the organization to have their voices heard within the party. I am referring to those members who took part in guerrilla activities and also took up arms. It seems that some people who never participated in the guerrilla struggle, or were members of the M-19 political's arm but never risked their lives, are now reaping the benefits. Are you going to take the request by those former guerrillas seriously?

[Patino] I believe that historical value is very important but that there are also other values just as important, such as current values. I do not believe that we should be a political party where new members should join a lineup and wait their turn to have their voices heard. This is a democratic alliance. The fact that at one time we took up arms is not evidence that we created a democratic program. Of course, the decision made at one time to take up arms is important, but it is not enough to exclude other party members.

Democratic Alliance Rejects Economic Policy

PA0812022991 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 7 Dec 91

[Report by Sandra Vergara—passages within quotation marks are recorded]

[Text] At a meeting of its national board of directors that just ended in Bogota, the 19 April Movement Democratic Alliance [AD/M-19] defined its position with regard to the country's political and social situation.

The AD/M-19 also announced its candidates for mayor of Santa Fe de Bogota. Here is AD/M-19 Senator Vera Grabe:

[Grabe] "We have proposed Abel Rodriguez, Alberto Carvajal, Libardo Parra, and Carlos Alonso Lucio."

Concerning the heated polemic on the privatization of public services and taxes, the AD/M-19's position is clear. Here is what Angelino Garzon said:

[Garzon] "The AD/M-19 has said no to the IVA [value-added tax] on staples, and has also rejected the privatization of public services."

According to the AD/M-19, its policies to be implemented in the near future will show clear rejection of the current economic measures implemented by the Gaviria government. In that regard, AD/M-19 leader Rosemberg Pabon said:

[Pabon] "We believe it is important to continue to work on a program of peace and economic development that can offer an alternative. We also have profound, serious and significant differences with traditional parties and with the government of President Gaviria with regard to his current economic policy."

The AD/M-19's strategy for the March elections will be basically directed at organizing the best coalition and obtaining broad democratic participation.

Communist Militants Criticize, Quit Party

PA2711170391 Santa Fe de Bogota EL TIEMPO in Spanish 21 Nov 91 p 6a

[Text] With strong criticism of the Communist Party of Colombia (PCC) and its internal practices which, according to them, hamper democracy, about 30 PCC militants on 20 November reported the text of their party resignation letter.

They voiced their "absolute conviction that there is no possibility to continue on the path we, until recently, thought was infallible and without error."

Their decision to leave the party, as EL TIEMPO reported, was made official on 16 November during a Patriotic Union (UP) meeting that sought to define the course it will follow in the wake of serious clashes with the PCC.

The possibility of changing the UP's name, giving the group a more civil and democratic profile, and disassociating it from Marxist-Leninist postulates were also discussed at this meeting.

Behind this backdrop, the so-called group of "Perestroykans," headed by Carlos Romero, Maria Osorio, and Roberto Saenz, decided to leave the Communist ranks.

The letter is also signed by Henry Botero, an intellectual; Ariel Arteta, leader from the Atlantic area; Gustavo Castano, an intellectual; and Oscar Gonzalez.

In it they question the internal influence exerted by Manuel Cepeda, a well-known PCC leader, whom they accuse of preventing efforts to follow a tolerant and democratic line of action.

Such efforts were silenced by the corrosive nature of the "beware of concessions" argument. Thus, some comrades created the absurd notion of "political trust," they stated.

They added: "The PCC leadership, headed by Manuel Cepeda, is intent on giving that practice (tolerance) a vulgar and unethical dimension, by describing our statements during the recently concluded campaign as being the product of personal interests and sudden ideological twists."

In a statement that voices not only their disapproval of ideologies but also of communist practices, they stated that the old mania, imposed by Stalin on the world's communist parties, "of creating files to justify abuses and death in the name of the revolution and its principles, has been exposed as a behavior that resembles the thoughts and actions of fanatics throughout the world."

They claim it is not possible to continue talking about democracy as long as leftist organizations practice cannibalism and intransigence.

As this letter was being made public, the UP National Directorate, which is headed by Antonio Puentes, Hernan Motta, and German Cobo, called the UP's third national congress.

According to reports, only people linked to the PCC or who represent the so-called "hardline" of the left will attend this congress.

A news conference revealed the new membership of the party's Executive Committee: Antonio Puentes, UP president; Hernan Motta, senator; Mario Upequi, Alberto Restrepo, Cesar Garcia, German Cobo, Boris Cabrera, Urias Oyaga, and Sebastian Gonzalez.

The congress will update the party's political stand, elect its new leadership, and adjust its statutes to the institutional changes.

Oscar Duenas, former UP vice president, disagreed with a change in the party's name although he voiced support for the "perestroyka" line.

Ecuador

Hungarian President Arrives for Visit

PA0812001991 Hamburg DPA in Spanish 1859 GMT 7 Dec 91

[Text] Quito, 7 Dec (DPA)—As part of a tour of four South American countries, Hungarian President Arpad Goncz arrived in Quito on 7 December for a three-day visit marked by a very tight schedule intended to increase bilateral relations and exchange of trade between the two countries.

At the airport in Quito, which is 2,800 meters above sea-level, the Hungarian President was greeted by his Ecuadoran counterpart Rodrigo Borja, who moments before had seen off Bolivian President Jaime Paz Zamora, who had completed a three-day official visit.

In a brief ceremony, which was made difficult by a strong wind, the two presidents voiced their "firm determination" to find mechanisms of cooperation and increase trade during their meetings in the government palace, in the colonial area of Quito, where they headed immediately.

Ecuador and Hungary currently maintain a very balanced trade exchange that involves Ecuadoran exports of petroleum and tropical fruit and Hungary exports of public transportation vehicles, machinery, and equipment.

On 10 December, minutes before concluding his visit, the Hungarian and Ecuadoran presidents will sign at least three agreements the texts of which will be edited by the two presidents' retinues, which are headed by Foreign Ministers Laszlo Bogar and Diego Cordovez.

Goncz, a 69-year-old playwright, came to Ecuador from Chile, the first leg of his South American tour that also includes, after the Ecuadoran stopover, Colombia and Venezuela. This is the first time that a Hungarian president has visited Ecuador.

Paraguay

President Departs for Cartagena; Views Election

PY0212025691 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 0135 GMT 2 Dec 91

[Interview with President Andres Rodriguez by Ramon Zalazar at Silvio Pettirossi Airport shortly before Rodriguez's departure for Cartagena de Indias—live]

[Text] [Zalazar] Mr. President, before you board the plane, could you comment on this new presidential meeting you will be attending?

[Rodriguez] Well, in Cartagena, our country will be represented for the first time as a member country of the Rio Group. Thus, I am very happy to represent the Paraguayan people at this summit meeting at which various topics will be discussed. We hope the discussions on these topics will ultimately benefit each member country of the Rio Group.

[Zalazar] One subject will undoubtedly be the Cuban situation at this time, in which Latin America is experiencing a process of democratization. You have played a leading role in liberating our country from a regime that oppressed our people. My question is: What should be the position of those countries undergoing a process of democratization toward the political situation prevailing in Cuba?

[Rodriguez] I believe that one of the main topics we will have to discuss at the summit is the situation the Cuban people are experiencing. There will no doubt be different ideas and opinions and we will do our best to enable that brother, friendly people to become a democratic people.

[Zalazar] We cannot fail to mention, Mr. President, the outcome of the election held nationwide today, 1 December. Please comment on it.

[Rodriguez] We are undoubtedly witnessing once again the civic maturity shown by the Paraguayan people by casting their votes and thus exercising their right to elect the delegates who will be drafting a new constitution, which we hope will benefit our country. As Paraguayans, we should be happy about this election because this has been the third election held by the Paraguayan people and I believe the election was completely normal. I have received reports from every corner of the country and I have not heard of any abnormal situation. On the contrary, everyone went to the polling places to cast their votes to exercise their right as citizens.

[Zalazar] As a member of the Colorado Party, which do you think has been a decisive factor for the Colorado Party to obtain a favorable result, a landslide victory over its electoral rivals?

[Rodriguez] I believe that each Colorado Party member who today cast his vote for the List Number 1 did so because he is perhaps confident in the actions undertaken by the Colorado Party government. We have truly done a great deal, but much remains to be done. Thus, perhaps driven by these hopes and desires, they must have cast their votes for List No. 1, so that we may draw up a constitution that will promote development and that will bring benefits to our country.

[Zalazar] Could it be said, Mr. President, that the people are again believing in political leaders?

[Rodriguez] Judging from the results of this election, I am sure and it is evident in this case that the Colorado Party is again gaining strength.

[Zalazar] Thank you and good luck on your trip.

[Rodriguez] You are very kind. Thank you much.

Rodriguez Returns From Cartagena

PY0412014891 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 0034 GMT 4 Dec 91

[Interview with President Andres Rodriguez by Ramon Zalazar upon Rodriguez's return from Cartagena, Colombia, at the Silvio Pettirossi International Airport—live]

[Excerpts] [Zalazar] Mr. President, this is [the television station] SNT broadcasting live. Could you comment on this new presidential summit?

[Rodriguez] During our return flight, I made a brief statement on our activities within the Rio Group summit in Cartagena, Colombia. Now I just want to reflect on some points because we were applauded by 12 Latin American presidents for the political reforms we have implemented in Paraguay, an example of which was the recent election of Constituent Assembly delegates, which was held in an atmosphere of full freedom and openness. The 12 presidents of the sister Latin American nations congratulated me and thus conveyed their approval of our political reforms.

Secondly, I would like to assure you that the Executive Branch will in no way exert any influence on the Constituent Assembly delegates. Thus, they may freely and democratically draw up a constitution that reflects their ideas. They may draw up a constititution that will do justice to our country. You can rest fully assured of this. [passage omitted]

Now that the Colorado Party has obtained a majority of the Constituent Assembly seats it should in no way reject the sincere cooperation of anyone who can somehow contribute to benefiting the Paraguayan people through a new constitution, which we hope will be extremely useful for the present and future of our country.

[Zalazar] Mr. President, a topic that has now been raised before the opening of the Constituent Assembly is the presidential reelection. Perhaps we should not raise the subject again, but we want to take advantage of this occasion to ask you about it.

[Rodriguez] The Executive Branch does not intend to influence the free, democratic, independent decisions of the delegates to the Constituent Assembly on any of the topics already included in the existing draft proposals.

[Zalazar] Thank you, Mr. President.

Rodriguez Comments on Extending Presidential Term

PY0512141691 Asuncion NOTICIAS in Spanish 3 Dec 91 p 11

[Report by special correspondent]

[Excerpt] Cartagena, Colombia—President Rodriguez last night described as a "prank" reports from Paraguay stating that there are plans to extend the current presidential and constitutional terms until 1995.

At the end of the next-to-the-last working meeting with his Rio Group colleagues, the Paraguayan president said that for the time being he will hand over power in 1993 as he promised all Paraguayans and the international community.

Rodriguez said, however, that it is the people who must make the final decision on this issue.

Rodriguez added: "I really do not know if the reports (from Asuncion) are anything more than a prank played by the press. I am not aware of it. You are well aware of my present position. I do not know about the future."

Asked if he still plans to hand over power in 1993, Rodriguez said: "Well, I would not like to ... It is the people who must decide."

Asked if, in its capacity as the people's representative, it should be up to the constituent assembly to make this decision, Rodriguez said he does not believe the constituent assembly is the proper channel to discuss this issue. He said: "I do not know if the constituent assembly will discuss this issue, but it is the people who must decide." [passage omitted]

President Rodriguez' Drug Connections Viewed

PY0712112091 Montevideo BRECHA in Spanish
6 Dec 91 International Section p 2 [tentative]

[Special report by Samuel Blixen in Asuncion: "The Whitewashing of a Narcopresident"]

[Text]

What Everyone Knows But No One Says in Paraguay

Paraguay already has become a "transit route" for drug capital. The volume of laundering of narcodollars has forced the U.S. Department of State and the U.S. Embassy in Asuncion to exert strong pressures on President Andres Rodriguez and to confidentially state that a money exchange house controlled by the president himself is one of the main financial institutions involved in money-laundering activities in the region. The charges made against Rodriguez (who has an extensive narcotrafficking record) also extend to his partners in Cambios Guarani [money exchange house owned by Rodriguez]: the representatives of the Uruguayan economic groups Peirano Facio and Ferres.

In mid-1990, one and a half years after the coup that ousted Alfredo Stroessner, Paraguay's financial market was flooded with dollars. The inflow of U.S. dollars was so big and it had such a tremendous impact that the Central Bank was forced to operate in the financial market to avoid the collapse of the dollar rate.

This huge amount of money was introduced into the country in the same manner in which smuggled goods are introduced into Paraguay: with great ease. The dollars spread to the numerous money exchange houses, financial institutions, and banks that operate in Paraguay without any state control.

Where did the dollars that suddenly increased foreign reserves to equal the same amount of the Paraguayan foreign debt come from? According to the Drug Enforcement Agency (DEA) [preceding three words in English] at the U.S. Embassy in Asuncion, much of the evidence pointed to the theory that in a short period Paraguay had become a financial market for the laundering of narcodollars.

Between March and May 1991, the Paraguayan Government headed by General Andres Rodriguez, who is the father-in-law of the "tyrannosaur's" [ousted President Stroessner] son—Stroessner currently is living in Brasilia—endured a high-pressure offensive by the U.S. Department of State and the U.S. Embassy in Asuncion. The unusual number of charges on the increase in drug-trafficking activities and the government's permissiveness regarding the "laundering" of capital ended the U.S. romance with the new Paraguayan Government, which had been satisfactorily fulfilling its mission of implementing a democratic transition.

The charges affected government circles when U.S. Ambassador Timothy Towell asserted that the prevailing corruption in the government helped to promote the laundering of narcodollars. He also said that this corruption posed a threat to Paraguayan democracy.

Later the pressures ceased as abruptly as they started. The State Department replaced Ambassador Towell with another career diplomat, Jon Glassman.

In mid-November two reliable sources in Montevideo informed BRECHA that the DEA had investigated the money-laundering activities of the most powerful Paraguayan money exchange house: Cambios Guarani. These sources added that the DEA had given the results of this investigation to foreign diplomats in Paraguay and Paraguayan political party representatives.

BRECHA investigated this information for one week in Asuncion. Numerous informants, who overcame the generalized fear of becoming involved in the field dominated by corruption (that is apparently untouchable and can coexist with an increasing democratic opening process), confirmed the reports circulating in Montevideo.

Despite the fact of having fresh in our memories the recent killing of a journalist and an attack on a deputy from the congressional committee in charge of investigating narcotrafficking activities, we were not stopped from learning the details of the information the U.S. Embassy discreetly but deliberately disclosed in April at the peak of its pressure offensive.

Two money exchange houses, Cambios Guarani and Cambios Amonday [name as published] and a bank, BancoPar, were identified by the DEA as the main institutions that handled narcodollars in Paraguay. Paraguayan President Andres Rodriguez is directly connected with Cambios Guarani and linked to BancoPar by business and family connections.

The president is a partner in Cambios Guarani, which he owns with two others. His partners are representatives of two Uruguayan economic groups: the Ferres group and the Peirano Facio group. The Velox Bank of Argentina, the leading agent of the Peirano Facio group's investments in Buenos Aires, is Cambios Guarani's agent. Moreover, Cambios Indumex, also owned by the Peirano Facio group, is the Velox Bank's agent in Montevideo.

Sources contacted by BRECHA in Asuncion were ignorant of the possible involvement of Cambios Guarani's agents in the handling of regional capital derived from drug trafficking. The information provided by U.S. diplomats to Paraguayan figures was centered on the local activities of money exchange houses and banks that were investigated. Spokespersons at the U.S. Embassy in Asuncion consulted by BRECHA declined to make comments and limited themselves to referring to official reports issued by the Department of State. These reports do not identify the financial companies involved in money laundering. They merely specify that the financial market is being increasingly used by narcotraffickers, so much so that Paraguay has become an enclave in the "route" of drug capital.

Divided into several reports (we must note the document issued by the Department of State on Uruguay when the Yomagate [referring to Argentine President Carlos Menem's in-laws' involvement in a money-laundering controversy] scandal exploded), the overall panorama viewed by U.S. authorities suggests a unity of narcotrafficking activities at the regional level in which Paraguay, Argentina, and Uruguay play interchangeable and sometimes complementary roles.

The U.S. strategy is ambiguous. Its objectives, which prioritize combating drug capital, contradict its political interests in the region: to strengthen those national areas that promote the democratization processes in line with its policies.

In Paraguay, the discretion with which the government is pressured to "whitewash" its image is due to Gen. Rodriguez' "efficiency." Rodriguez is destined to go down history as the man who disrupted without many traumas an almost perennial dictatorship and became the architect of a difficult transition process.

But this discretion is frequently undermined by impatience: The web of corruption is strong and the government's ties with true Paraguayan power circles are very solid. This is when people make sharp remarks similar to the ones were made at the beginning of 1991 that evidenced Gen. Rodriguez', one of the (?wealthiest) men in South America, involvement in the laundering of narcodollars. BRECHA gathered the pieces of the puzzle in Asuncion in the following report:

The "Guarani Drug Connection" Andres Rodriguez: Following the Steps of Noriega? "The laundering of money and the trafficking of drugs are both linked with corruption; fighting corruption is one of the most important steps." (Ambassador Timothy Towell)

Somewhere inside the U.S. Embassy in Asuncion—a fortress that occupies four blocks in a residential neighborhood—Ambassador Timothy Towell, flanked by civilian and military advisers, spat out his complaints before a large group of Paraguayan personalities who were summoned at the beginning of April to analyze the efforts the government of Gen. Andres Rodriguez had made to fight drug trafficking.

Some days before, the State Department had noted the "progress" made by the government during 1990. Such achievements were the expulsion of 19 DINAR [National Narcotics Directorate] (the police organization in charge of repressing drug trafficking) officials who were found to have links with drug traffickers, and the dismissal of two generals involved in the production of 400 kg of cocaine. The episode could not be concealed: The military plane, a light plane that was carrying the generals, crashed and the military personnel who investigated the accident reported the discovery of the drug.

The generals were dismissed, but General Dionisio Cabello, the then-Air Force commander in chief and fourth in command in the military structure—who is now in disgrace—came out untouched. The officer who discovered the shipment, however, was arrested at a military facility in Mariscal Estigarribia.

For this reason, the State Department conditioned its praise: "The achievements of the Paraguayan Government have been incomplete. Corruption and the laundering of money remain the areas of major concern. Paraguay bears the burden of being a suspected route for Bolivian cocaine. It could also be a route for precursors."

For Ambassador Towell, the situation was a bit more than suspicious. His emphasis on the links between drug trafficking and corruption—at the meeting on that April morning—put his interlocutors in an uncomfortable situation. To talk about corruption meant to point at the government; it meant to point at a significant privileged sector of society, ranging from military commanders to businessmen who got rich through illegal practices, who enjoyed—and who still are enjoying—the benefits of a "parallel" state.

For some reason that could not be understood by those at the meeting, corruption—something with which Paraguayans have coexisted for a long time—was now annoying the ambassador. Heavy silence was the answer to a question by an Embassy military officer, whose words sounded like a gunshot:

"Why is the Mariscal Estigarribia radar out of service? Why hasn't it been repaired?"

The radar, installed in the control tower of an airport that is surprisingly located in the loneliness of the Paraguayan Chaco, was installed at a cost of $18 million for the sole purpose of controlling air traffic from Peru, Bolivia, and Brazil's Amazon region; that is, for controlling the air traffic of drug-trafficking squads that carry the cocaine base from the Bolivian jungle to the Brazilian-Colombian border, or that have more recently carried Peruvian and Bolivian cocaine, via Paraguay, to Argentina, Uruguay, and Brazil.

A civilian member of the political pro-government sector, who looked visibly ill at ease, replied: "Actually, the radar was never fully assembled."

That was the end of the meeting.

In the following weeks, official statements by U.S. spokesmen led the confrontation to a critical point. Melvin Levitsky, assistant secretary for international narcotics matters, on 7 March opened fire in a teleconference from Washington to Asuncion over the Worldnet satellite network. He said: "Corruption is the best ally of drug trafficking because it prevents proper enforcement of the law. This not only helps drugs to circulate but also undermines democracy."

In one of his frequent appearances, Ambassador Towell (who was fond of measuring his tennis skills against those of high-ranking military officers), made his own contribution to the creation of this atmosphere. "Corruption in the government can affect the transition process," he warned a few days later.

The government tried to convince the ambassador to retract his words. Military commanders were annoyed. It is nothing new that the Army itself has been managing corruption. For example, young officer Lino Cesar Oviedo not only had prematurely reached the rank of general—after he efficiently fulfilled a mission entrusted him by Gen. Rodriguez on 4 February 1989—but he also has considerably increased his economic power.

Oviedo became a "national hero" when he went to the Security Guard, where Gen. Alfredo Stroessner sought shelter at the beginning of the coup that finally ousted him. "General, my orders are to arrest you and I will comply with them," the then-Colonel Oviedo told Stroessner as he removed the security ring from a fragmentation grenade he held in his left hand. "The two of us will walk out of this place or both of us will die."

Oviedo surpassed his promotion comrades; he was promoted to general and since then he became Rodriguez' right hand. Oviedo, who received training in Germany and specialized in urban counter-guerrilla tactics, is a national defense doctrine supporter. Oviedo has supported Rodriguez' plans and has joined the transition process. But what does democracy have to do with the Paraguayan "style" of privilege? Oviedo (whom Paraguayan folk humor nicknamed—in Guarani—the crammer, because of his unlimited appetite in whatever dirty deal is designed at higher levels) was among those who were more annoyed at the U.S. pressure, which was almost imprudent.

Yet the U.S. spokesmen were not impressed. The U.S. ambassador did not retract his statements. The offensive simply changed its approach: The target was no longer drug trafficking but money laundering.

Assistant Secretary Levitsky said: "The difficulty that we find in Paraguay is the existence of some institutions that are not banks, like the exchange shops, which can take money and exchange it without having to comply with any strict regulations. They offer drug traffickers the possibility of laundering their money with relative ease." Everyone immediately thought of Gen. Rodriguez, owner of Guarani Cambios, "Paraguay's private central bank."

Charles Morley, a specialist in the fight against the laundering of capital, and also an adviser to bankers, on 24 April arrived in Asuncion. During a lecture at the Financial Club, he said: "Asuncion is considerably attractive, probably more than any other country in the world, for money laundering. Those who do not fight against this situation will be the advocates of a financial system with a poor image. The attraction (for drug traffickers) stems from the ease with which it is possible to get rid of cash. The Paraguayan financial system handles a lot of money on the streets. Laws must be enforced to create registries, establishing who can join them. In addition, the law should facilitate the confiscation of properties."

At the beginning of May, Ambassador Towell once again met a group of selected Paraguayan interlocutors. The laundering of money had become the central issue. Paraguayan Central Bank Chairman Jose Enrique Paez on 10 May publicly admitted that the Asuncion financial market was used for laundering capital. Yet there were no indications that the government would be willing to modify bank secrecy legislation or adopt measures to reduce the flow of dollars that were flooding the market.

In the first quarter, recorded exports dropped 48 percent ($103 million as compared to $208 million for the same period in 1990), while imports rose from $158 million in the first quarter of 1990 to $249 million in the same period of 1991. The income from binational enterprises remained unchanged ($40 million); consequently, what was the origin of the $101 [figure as published] million that has caused such a remarkable imbalance in the balance of payments? This question was asked during the meeting.

Someone tried to explain that only a small percentage of exports are recorded at the Central Bank, and that the smuggling of cigarettes, soybean, and electric home appliances to Argentina, Uruguay, and Brazil has a strong influence on dollar flows. There were also insinuations of the presence of "speculative" capital, which is attracted by the high interest rates paid on deposits in guaranies after the financial liberalization that Rodriguez decreed in mid-1990.

Towell got furious and hit the table:

"Drug trafficking money, in cash, is entering this place. We have information that the exchange shops Guarani Cambios and Amonday Cambio and BancoPar are laundering drug-trafficking dollars."

The ambassador and Robert Ridler, the person in charge of the DEA—who also attended the meeting—could have reported more details of money laundering in Paraguay. The message was, anyway, straightforward and categorical: Even though the diplomats mentioned Cambios Guarani alone—according to information supplied to BRECHA, the name of Rodriguez was not mentioned—saying that a president is involved in drug trafficking is not a light charge.

On 21 May, Timothy Towell reported to Government Palace for a meeting with President Rodriguez. In those days, the press was shattered by a string of scandals and terrifying events: the arrest in Ciudad del Este of Mafia chief Agustin Urunaga on charges of dressing his private army with military uniforms; the attack against Senator Domingo Laino when he tried to inspect one of the 24 illegal airstrips in Hernandarias that are managed by another Mafia chief in Ciudad del Este: Carlos Barreto Sarubbi; a report that Fadh Yamil, the "owner" of Pedro Juan Caballero (a town on the Brazilian border, not more than 20 blocks long, but where all banks and exchange shops have opened branches) was involved in the attack against journalist Santiago Leguizamon, who was murdered exactly on the border, in full daylight, by 28 shots in the back for having reported details of drug trafficking to Brazil disguised as soybean exports; the attack against Liberal Deputy Francisco de Vargas, whose house was shot early in the morning with large-caliber weapons (the bullets were encrusted in the facade, except for one that injured the deputy's dog in its neck; the dog survived thanks to a plastic transplant that repaired the injured artery; the deputy, however, resigned his post on the congressional committee that investigates drug trafficking).

In the middle of this climate, Ambassador Towell surprised journalists, who were waiting for new and explosive statements on corruption. After his meeting with Rodriguez, Towell showed a radical change: "I am not the one who should speak about corruption. Enough has been said about that. I am satisfied with my relations with this country. I have enjoyed the cordiality of its people and the tennis matches that I played," he said, with a deceitful, superficial attitude.

A few days later, Towell left Asuncion, and he was replaced by Jon Glassman, who thus far has not opened his mouth to condemn the "marginal state." What happened in the last meeting between Towell and Rodriguez? Some politicians consulted by BRECHA in Asuncion tend to believe that Rodriguez has reluctantly agreed to U.S. demands and that he will be willing to make some concessions in the middle of the transition timetable. These sources have blamed the mysterious replacement of Gen. Dionisio Cabello on the U.S. pressure. Cabello was dismissed for "disobedience" that has not yet been explained (See BRECHA, No. 13, 29 Nov 91, "The Boots of Stroessner Are Still There"). The sources also said that the U.S. pressure caused the announced willingness to submit to Congress, before the summer recess, bills on the operation of the financial system.

Other sources, however, believe that Rodriguez and his environment have held their own, and that the needs imposed by the democratic transition demand that the laundering of the key figure of the Paraguayan process emerge without any unpleasant tarnishing. "Rodriguez is like Noriega, but he is not Noriega. Today he is essential," they said.

Whatever the truth, Gen. Andres Rodriguez continues to be intimately connected with Cambios Guarani. This exchange shop has become a key chapter in the thick folder the DEA is preparing on the general's activities. The DEA can boast of having added the name of another president to the list of outstanding financial agents of the drug trade, although, for the time being, this should be maintained in secrecy and it can be mentioned only on certain special occasions.

The General of the Golden Taps.

Nothing is what it seems to be in Asuncion: The engineer who talks with campesinos is really a full-time social activist; the builder who refurbishes houses is really an eclectic philosopher; the journalist who takes pride in her aboriginal past is really a large landowner preparing to become the country's first lady; and the good-natured man dressed in a bargain-sale T-shirt who walks among the people of the crowded No. Four Market talking in Guarani is the country's most powerful man.

Andres Rodriguez does not hide his campesino past. But he stopped being poor a long time ago, and it has been an even longer time since he gave up being a campesino. At one time he was a young officer who was capable of making a career in the Army. He knew how to sidestep hierarchical stagnation and acquired power, so much so that Alfredo [Stroessner] considered it necessary to put a curb on him: He made him a member of the family circle. Rodriguez became the father-in-law of the dictator's son and began to enjoy the benefits of the family, but he was contained.

His links with drug trafficking go back to the late 1960's, according to the charges published by U.S. journalist Nathan Adams. The book "Latin American Connection" (of which Reader's Digest published a summary in June 1973 entitled: "Secrets of Drug Trafficking in South America") describes Rodriguez' role in the drug-trafficking organization that had its operations base in Asuncion and that for years was responsible for introducing heroin into the United States.

According to the Reader's Digest story, "Generals Patricio Colman and Andres Rodriguez rented their ranches to the smugglers so that the latter could use the

air strips at a price that at times reached $25,000 for each plane [that landed]. Rodriguez, who may have been the most powerful general in Paraguay, was an anonymous partner in TAGSA [Transporte Aereo Guarani S.A.], which ran an airplane taxi service and whose pilots worked overtime as mules for the criminal organization. Some cargo left for Miami from a grass strip located 8 km from Asuncion. That place, called the Paraguayan Aero Club, belonged to Gen. Rodriguez."

As time went by, Rodriguez expanded his role as an "anonymous" partner in many deals that were authorized by the Stroessner family. There were no companies in which a military man was not on the board of directors. Rodriguez expanded his field of action into the metallurgical sector, the manufacturing of flashlight batteries and wire, and the control of the lottery.

He has also made an incursion into the beverage industry. He is a partner of businessman Blas N. Riquelme in the Munich Brewery, and it is presumed that through Riquelme he benefits from the contracts to supply bread to state organizations.

At the beginning of the eighties he entered the financial field with the creation of Cambios Guarani Inc., which during its first few years presumably had as its main objective the financing of smuggling operations from the northern Argentine provinces.

Rodriguez was once again linked to drug trafficking in 1984: A cargo of drums of ether and acetone (chemical precursors for the manufacture of cocaine) seized by customs due to the initiative of an absentminded official was consigned to Rodriguez. Stroessner himself had to exert influence to attenuate the anger of the U.S. ambassador. The government could find no other solution than to declare that the cargo had arrived in Paraguay by mistake and decided to return it to its place of origin. Anyway, the U.S. Government used the incident as a pretext to begin an offensive to overcome the dictator's resistance to any institutional changes in the country.

Maybe the economic power that was cemented from the highest leadership of the military and from his privileged position as a member of the dictator's family consolidated Rodriguez' rising star; or maybe it was the other way around and it was his ever-rising star that helped him get rich. But what is certainly true is that he overshadowed Stroessner.

The U.S. Embassy had found in Gen. Rodriguez the interlocutor for an agreement on the democratization of Paraguay. Rodriguez' records were put into a file and conveniently pigeonholed; the whitewashing of the image has begun.

In the beginning of 1989 a decision was made: Stroessner was not willing to accept his son's father-in-law replacing him; for this reason, 20 days before the coup, he ordered an intervention in four money exchange houses, among them Cambios Guarani.

The coup was "almost" without bloodshed. Rodriguez interpreted the new times; he called for elections and was the winning candidate of the Colorado Party, the same party that for 25 years served as the "legal" facade for Stroessner.

The transition was under way, in all ways. The Rodriguez family replaced the Stroessner family in all good businesses, from industry to the communications media (Channel 9, for instance, owned by Freddy Stroessner, was transferred to Gustavo Saba, Rodriguez' son-in-law).

Corruption has not been reduced with Mr. Rodriguez. The whitewashing is something like a one-act farce. Rodriguez himself does not seem too willing to change the image gathered by the Paraguayans, and which is synthesized in the anecdote collected by BRECHA in business circles: During the visit of Spanish King Juan Carlos to Asuncion, Rodriguez gave a reception in his private residence. The king could not hide his astonishment at seeing such a show of wealth. At the table he ate with silver-plated silverware and drank from fine crystal glasses; in the bathroom he found the faucets plated with gold. "My wife has a fancy for those things," the president explained. But when he entered the library and discovered that a fortune in paintings was hanging on the wall, King Juan Carlos could no longer contain himself and said: "And all this with the salary of a general!"

The new coterie believes that the democratic transition contributes to new ways of impunity. Of course the requirements of U.S. policy—regarding drug trafficking, for instance—can provoke some pesky tensions. The files have been pigeonholed, but the records have not been destroyed.

Rodriguez' Uruguayan Partners

The connections of Cambios Guarani with the laundering of narcodollars compromises not only the president of Paraguay, but the managers who represent the interests of the Uruguayan partners as well. So far, neither the Peirano Facio group nor the Ferres group have been linked to those activities. Their association with a general who does have a heavy record of drug trafficking, in addition to being the right hand of an internationally condemned dictator, weighs as a significant reference.

On downtown Palma Street, near where the Heroes Memorial is located, street vendors prevent walking on the sidewalks, just in the stretch were the most exclusive stores are located. Some of them sell handicrafts, while most of them sell Brazilian-made clothing.

Two blocks down toward the river, street vendors leave the place to other informal businessmen: the dollar purchasers. They look like our tax collectors: They carry a small briefcase under their arm, and walk on Palma Street where the money exchange houses are located. There are 15 or 20 on each side of the sidewalk, harassing everyone, offering the same exchange rate as that seen on

the screen and earning some extra guaranies with the tourists who are not so quick in checking their accounts.

It is not precisely a "black currency market;" it is just a "marginal" market, tolerated in a sort of "division of work:" they take care of the small offer, that which does not exceed $100 in each transaction.

In fact, the "street exchange agents" are employees of some capitalist man, and although there is no way to confirm it, it is supposed that they are agents of the exchange houses themselves, which are dedicated to the major transactions.

Although U.S. officials may stress the amount of "money circulating on the street" and refer to the ease with which "$20 bills" can be changed, stigmatized by the smell of drug trafficking, the truth is that nothing prevents tons of small bills from being changed or deposited in the same exchange houses or banks with absolute freedom and with no control whatsoever.

Marketing dollars is no problem at all, and through this marketing, their legalization is also simple. The problem, in any case, would be to get the money in cash into Paraguay. But in a country where one can purchase, in any of the electric appliances stores that have proliferated infinitely, a Brazilian-made ice box for $150, a French microwave stove for $500, or a Korean fan for $30, to bring in bags filled with dollars is no problem at all.

The flow of dollars in Paraguay—which an analyst dedicated to the study of drug trafficking estimated to BRECHA at some $15 billion—has different origins, but always clandestine. Economist Ricardo Rodriguez Silvero, now adviser to the government, said that "Paraguay has become a market for the purchase and sale of weapons and drugs." Liberal Party Deputy Francisco Jose de Vargas has reported that in Ciudad del Este "any tourist can purchase an Uzi submachinegun openly on the street." Businessman Adolfo Ferreiro said that "80 percent of all recorded exports have been undervalued;" with good humor and ease he disqualified the sociologist who had outlined to BRECHA the theory of a "market bourgeoisie confronted with a fraudulent bourgeoisie." Let us not deceive ourselves," he said: We have all taken advantage of tax evasion and the chaos of an incompetent state which does not even control what is elemental. Otherwise, the accrued deficit of $400 million in the trade balance, or the difference between the increase of the IPC [Consumer Price Index] of 500 percent over the past 20 years, and the dollar rate increase of only 40 percent cannot be explained."

Febrerista Deputy Ricardo Lugo Rodriguez explained that the government increases liberalization with the pretext of "favoring the repatriation of capital sent abroad and of attracting investments. This is not true. Over the past three years investments have only reached 87 billion guaranies. Since the coup the government has received only $50 million in loans; the international community has not given financial support to the democratization process."

For the U.S. Government it is obvious that the flow of dollars is, to a large extent, "dirty" money: smuggling, and trafficking of weapons and drugs. It stresses the laundering of narcodollars and aims its artillery against the changes.

Cambios Guarani is on the first line. The concentration of "street exchange agents" in front of its doors is a measure of its importance. Another thing is to value its expansion: it has branches in all border towns: in Ciudad del Este (ex-Puerto Stroessner), bordering with Foz do Iguazu, a real free port for smuggling; in Encarnacion, which receives from Posadas, Argentina, a good portion of the smuggled foodstuff; in Pedro Juan Caballero, which plays, with Ponta Pora, a ping-pong smuggling game of soybeans, cigarettes, and cocaine. The correct thing would be to have access to its accounting, but since that is unthinkable, there is the alternative of analyzing the composition of its owners.

For the Paraguayans, Cambios Guarani belongs to President Andres Rodriguez. They find no other reason for astonishment when the president is linked to an enterprise accused of laundering dollars. The idea of involvement—which in the United States can decide an election, in Spain provokes a cabinet crisis, and in Uruguay tarnishes the transparencies—does not exist in Paraguay. "You have another idea of ethics," say activist leftists trained in the resistance to dictatorship, but conditioned to a century-old history of shady deals and corruption.

Andres Rodriguez is one of the owners of the biggest exchange house in the country. His interests are directly represented by his brother-in-law (the husband of the first lady's sister), Ignacio Aranda, who also serves as the figurehead on other boards.

However, the exchange house operation is managed in tripartite fashion, where each manager represents the interests of each partner: Juan Cecilio Fleitas is Aranda's man (that is, Rodriguez'); the second manager is Alejandro Ferres, member of the family that gives the name to the well-known Uruguayan economic group. The Ferres group has oriented its investments in Paraguay toward cotton production and has achieved partnership with the largest exporting company, CAPSA [Paraguayan Cotton Company, Incorporated], which once had a branch office in Uruguay called Productiva Incorporated. After the bankruptcy of Productiva, the Ferres group drifted toward the financial market in Paraguay, and established a partnership with Rodriguez, who was then an in-law of dictator Stroessner.

The third manager, a man whose surname is Tome, is perhaps the key man in Cambios Guarani. He is in charge of the technical part, and he represents the interests of Juan and Ricardo Peirano, who control most of the shares of the Argentine Velox Bank. Velox has been a branch office of Cambios Guarani in Buenos Aires since the times when it was not yet a bank, but an exchange house. The association of the Peirano Facio

with Gen. Rodriguez stems from the times when after the bankruptcy of Banco Mercantil the Uruguayan group moved to Argentina.

Neither the Ferres nor the Peirano Facio had any problems of conscience in associating commercially with a key player in Stroessner's dictatorship. Stroessner was already in U.S. drug trafficking files.

BRECHA has not been able to establish to what extent Rodriguez' partners in Cambios Guarani benefit from the other connections of the president in the Paraguayan financial world. But it is a fact that Gen. Rodriguez is linked to other financial institutions: to Solar Inc., an institution that grants housing loans, and in which Cambios Guarani's manager Cecilio Fleitas is also involved; to Banco General, where Rodriguez' son-in-law Gustavo Saba works; and to Bancopar, where Sacarello, another son-in-law of the president, is strategically stationed.

Asuncion sources who confirmed to BRECHA's special correspondent the information infiltrated by the U.S. Embassy emphasized the embassy's concern over the new role of the Paraguayan financial market in the movement of narcodollars through the region. It is for this reason that the people want the government to implement control mechanisms.

However, the loquacity of the diplomats in their confidential conversations with Paraguayan personalities contrasts with the official reticence. Consulted by BRECHA, Patrick Dary [sic; PAO is Patrick Duddy], the embassy spokesman in Asuncion, stated: "I cannot add anything to the State Department report."

However, Robert Ridler, DEA chief in Paraguay, was more thought-provoking: "I cannot state that Cambios Guarani launders money. It is something that can be suspected, but all banks ccan be laundering."

Rio Group Pressures Against Cuba Opposed

PY2911174091 Asuncion HOY in Spanish 29 Nov 91 p 6

[Text] Foreign Minister Alexis Frutos Vaesken yesterday said that the Paraguayan Government will not support "either pressures or sanctions" against Cuba at the Rio Group summit to be held next week in Cartagena (Colombia). Frutos met yesterday with President Rodriguez to discuss the Cartagena summit.

A list of the Paraguayan delegation to the Cartagena summit was also released yesterday. It will consist of President Andres Rodriguez and his wife, Nelly Reig; Foreign Minister Frutos Vaesken and his wife, Wilma Ruiz; General Regis Anibal Romero, chief of the presidential military staff; and Eladio Loizaga, private secretary and minister of the presidency.

The delegation will also include Paraguayan Ambassador to Colombia Gerardo Fogel; Hugo Saguier Caballero, Paraguayan ambassador to the United Nations; Protocol Director Gilberto Caniza Sanchiz; Augusto Ocampos Caballero, director of the presidential press office; Manuel Caceres, director general of the Foreign Ministry; and Lieutenant Colonel Rogelio Sanabria, the Air Force aide to the president. Hernando Arteta, deputy director of protocol, will be in the presidential entourage.

The following people will travel as members of a support committee: Gustavo Saba and his wife; Roberto Antebi and his wife; and Benjamin Fernandez, a journalist and candidate for delegate to the Constituent Assembly for the Colorado Party.

Rodriguez Installs Garcete as Army Commander

PY2711215891 Asuncion ULTIMA HORA in Spanish 27 Nov 91 p 13

[Excerpt] General Ramon Humberto Garcete, the newly appointed Army commander, was installed in his new post by President Andres Rodriguez during what was described as an important ceremony for the Paraguayan Armed Forces. The ceremony was held today at 0700 at the Armed Forces Physical Education School and it also was attended by the Navy and Air Force commanders and the commanders of the various Army units.

When he officially handed over the Army command—a new position created through Law No. 74/91—to Gen. Garcete, President Rodriguez said: "This is a singularly important ceremony for the Armed Forces as an institution because as of today, the Army will have its own commander, a position that long has been absent from the Armed Forces structure." [passage omitted]

Peru

Fujimori, Congress Relations 'Worsened'

PA0812214291 Madrid EFE in Spanish 1711 GMT 7 Dec 91

[Text] Lima, 7 Dec (EFE)—Relations between Peruvian President Alberto Fujimori and the Congress have considerably worsened because the president hinted at the possible influence of drug traffickers in a decision adopted by the Congress.

In a speech he delivered on 6 December, on the occasion of the third anniversary of the National Police, Fujimori said that he sees "no sense" in the Congress abrogating a decree "ordering strong punishment for the laundering of money from drug trafficking."

"I do not want to judge without any proof, but it is always healthy to explain things to the country. I believe that Congress owes the country a clear explanation as to why it wants people implicated in money laundering to go unpunished," he added.

Fujimori finally asked: "Why has Congress adopted that attitude? We do not know. Are money launderers also 'lobbying?'"

President Fujimori was affected by the legislature's abrogation of 11 of the 126 decrees he promulgated in November, after Congress authorized him to legislate.

On 1 December, before departing for Colombia, Fujimori said that congressmen are "idle people who promise to do marvelous things, but who do not keep their promises," and who cost the national treasury $500,000 per month.

Then he recommended holding a plebiscite to ban the reelection of congressmen and to renew the Chamber of Deputies by thirds.

Congress rejected Fujimori's attitude and demanded that he act with "good sense, moderation, and maturity" when referring to the legislative branch. His 6 December remarks have unleashed a real storm.

The Senate issued a very harsh statement on 6 December, once the contents of Fujimori's speech on National Police Day were known. The Senate's document said that the president "has made slanderous statements against the national parliament."

The document said that the parliament modified the Penal Code to establish severe punishment "for those found guilty of receiving goods obtained through drug trafficking or terrorism."

It added that "receiving" is the technical name for the crime, while the concept of "laundering" money "applies to rascals."

The document "rejects the unfortunate, unjustified, and provocative" comments by Fujimori, "which are an affront to the national parliament and morally disqualify its author."

It also demanded "the presence of the president of the Council of Ministers to give the National parliament the corresponding explanations and apologies."

Senator Luis Alberto Sanchez, historical leader of the American Popular Revolutionary Alliance (APRA), said that "he did not want to reply to dirty language with dirty language; the president has a lose tongue because his civic education is incomplete."

Leftist Senator Carlos Malpica said that "it is time that we tighten our belts and reply in the same manner," while independent Raul Ferrero said that if Fujimori "wants to govern with the military he should remember that they only govern for themselves."

Leftist legislator Javier Diez Canseco said that President Fujimori "wants to govern with a civilian-military dictatorship." Socialist Enrique Bernales said that Fujimori should modify his position because the confrontation between the executive and legislative branches only favors the Shining Path terrorists.

Center-right Senator Javier Alva Orlandini, who presented a draft bill proposing that the 1992 municipal elections also be to vote for replacing Fujimori with the first vice president, stressed that the president wants a "submissive and servile" parliament.

Meanwhile, leftist Gustavo Mohme said that the president's attitude contrasts with that of Prime Minister Alfonso de los Heros, who adopted a conciliatory position when the president appeared before Congress this week with his cabinet to explain the government plan.

De los Heros requested special powers to legislate. However, in view of the circumstances, it is not likely that Congress will grant them.

On 3 December, the lower chamber censured Agriculture Minister Enrique Rossi Link because they considered him responsible for the "serious crisis" in Peruvian fields. Shortly afterward, President Fujimori praised Rossi's work.

Questioning of Economy Minister Carlos Bolona began on 6 December. Bolona explained the government's economy policies for three hours and the debate, which is expected to be heated, should begin on 7 December amid an unfavorable atmosphere for the administration.

Fujimori Criticizes Congress for Opposing Decrees

PA0812143391 Lima Global de Television Network in Spanish 0100 GMT 7 Dec 91

[Text] President Alberto Fujimori aimed his heavy artillery at Congress once again on 7 December when he commented on the repeal of legislative decrees promoted by his government. He demanded maturity and seriousness to protect the country's future. Strengthening his critical posture even more, he called on Congress to explain to the country why they repealed a decree punishing drug-money launderers. Is there some type of lobby? he asked, referring to a possible connection between legislators and the launderers.

President Fujimori, government ministers, and top military officers attended the National Police's third anniversary celebration in Chorrillos.

According to a supreme resolution, the president decorated Jairo Velasquez Olivera, a member of the National Police's mine-defusing unit who was wounded in Huancayo. Second Sergeant Manuel Ordinola Moreno was also awarded.

After the ceremony, General Adolfo Cubas, National Police general director, gave a speech thanking the government for consolidating the National Police by legislative decrees No. 744 and No. 745, which modify the organization's structure. He also praised the government for leading the country to peace.

The president announced that the eight members of the National Police who were decorated on 7 December will be promoted. Other members of the National Police who have proven their courage will also be promoted.

[Begin Fujimori recording] I will order the promotion of these eight valuable members of the National Police. A small justice will then have been done. [applause] [end recording]

Alberto Fujimori expressed his concern at the repeal of legislative decree No. 736, which establishes penalties for laundering drug-trafficking dollars.

[Begin Fujimori recording] I do not understand why legislative decree No. 736 was repealed by both houses. It was intended to correct an error in the criminal code and it calls for harsh punishment for the laundering of drug-trafficking dollars. I do not want to have second thoughts since I do not have evidence. However, I think the congress owes the country a clear explanation of why it does not want to punish people who launder drug money. [end recording]

The president also declared his support for the national intelligence system, which he described as basic to national defense. Criticizing the repeal of the legislative decree outlining the national intelligence system's duties, he asked: Are the legislators trying to play along with the subversives? I will not allow it.

[Begin Fujimori recording] First we would lose our objectivity, and this would be a dangerous tendency that I will not allow. I demand pragmatism and realism in resolving our country's problems. I demand maturity in evaluating the consequences of our actions and serious efforts to avoid endangering the future of the country. [applause] [end recording]

Congress Issues Six Laws, Approves Agreements

PY2711220891 Lima EL COMERCIO in Spanish 22 Nov 91 p A4

[Excerpt] In keeping with the powers bestowed upon him by the Constitution, Congress President Felipe Osterling Parodi last night promulgated six laws that were not perused or promulgated by the president at the proper time. In addition, two international agreements were approved.

Among the agreements approved is the UN Agreement Against the Trafficking of Narcotics and Psychotropic Substances that was signed on 20 December 1988 in Vienna, Austria. This agreement was signed with certain reservations and explanations.

The other agreement that was approved is the "Constitutive Agreement For International Investment Cooperation" that was signed by Peru on 26 March 1985.

Osterling Parodi also promulgated the law that declares a state of emergency in the Arequipa Region, which is affected by a shortage of hydroelectric resources.

Congress also promulgated the law that declares the Peruvian Iron Mines Enterprise in a state of emergency. This is done with the objective of streamlining the company, expediting its operations, and allowing for the future exploitation of the Marcona deposits.

The law authorizes the executive branch to negotiate and sign operation contracts for the exploitation of the Marcona deposits within a period no later than 24 months. [passage omitted]

Foreign Minister Comments on Cartagena Meeting

PA0812160991 Lima Global de Television Network in Spanish 0100 GMT 7 Dec 91

[Text] Foreign Minister Augusto Blacker Miller said on 6 December that Peru received support for several of its initiatives at the recent summit meetings in Cartagena. The Peruvian initiatives included a development solidarity pact, support for area disarmament, and the joining of forces to face such dangers as environmental deterioration, terrorism, and drug trafficking.

[Begin Blacker recording] The first meeting was held in Caracas with the Group of 15 [G-15]. The G-15 is a group of developing countries in the southern part of the world. We made some important achievements and Peru announced its new approach to foreign relations: We will seek points of agreement rather that confrontation with other countries.

We went to Cartagena. In Cartagena there were a number of meetings. The first was the Rio Group meeting. The Rio Group is made up of 13 Latin American countries. That group includes one representative for all Central America and one representative from the Caribbean Common Market. Practically all of Latin America was represented at the Rio Group meeting.

We achieved some results at the meeting that I believe are very good for Peru. First of all, President Fujimori's initiative to turn Latin America into an area free from weapons of mass destruction was accepted. This was a follow-up to the president's similar proposal at the Guadalajara Summit. We also received total support for President Fujimori's position on drug control and alternative development [desarrollo alternativo].

The Andean Presidential Council is the highest organization in the Cartagena Agreement. At that group's summit meeting, we not only made some revolutionary achievements, but we also defined a new viability for the Andean Group.

I recommend that all Peruvians educate themselves about the significance of this very important step taken by Peru and the other four countries of the subregion. This step will really create an open market—a free market that is competitive, efficient, and without barriers, protectionism, or crutches. This market will allow our population, the 75 million people of the Andean Group countries, to have better living conditions, opportunities, and greater buying power.

Finally, another very important meeting in Cartagena was the meeting between Ecuadoran President Borja and President Fujimori. The meeting was part of the global strategy Peru will be following in conducting its foreign

relations from now on. We must congratulate ourselves on the historic step that Peru and President Fujimori took when he presented the proposal you all learned of only a few days ago to Ecuador. [end recording].

Foreign Minister on Fujimori-Borja Meeting

PA0512044191 Lima Global de Television Network in Spanish 0100 GMT 5 Dec 91

[Excerpts] Peruvian President Alberto Fujimori and Ecuadoran President Rodrigo Borja have held a historical meeting in Cartagena de Indias, Colombia. It was well-received because they established the basis for bilateral detente. [passage omitted]

Peruvian Foreign Minister Augusto Blacker Miller said he is pleased with the results of the conversations. We are on the right track, Blacker Miller said, because the two presidents tried to find peaceful solutions to serious problems. They have shown they are willing to iron out difficulties and to analyze carefully the pending demarcation of that small segment of the border.

Public opinion in Peru and Ecuador will be pleased with this opening toward peace and integration, the foreign minister pointed out. Although the two presidents will meet again before next 15 January, they decided that the military chiefs and diplomatic leaders of their respective countries will meet before then to continue the negotiations to find an agreement to the existing conflicts.

Decree Privatizing Public Schools Criticized

PY2711022491 Lima LA REPUBLICA in Spanish 20 Nov 91 p 7

[Excerpts] Leftist Deputy Julio Castro Gomez, president of the Population, Health, and Family Committee of his chamber, last night called for an exhaustive debate of Legislative Decree No. 699, which states that rural schools will be managed by the Armed Forces.

He stated that Congress will have to carefully analyze this legislative decree, which will cause a deterioration of the country's political violence.

Said legislative decree gives priority to handing over the management of the rural schools to the private promoters, with special emphasis on the armed institutions. [paragraph as published]

"The Armed Forces are not prepared for this, and they will do so strictly from a military security viewpoint without taking into account the natural socialization of the child within his community," Castro Gomez said.

He maintains that the implementation of this decree will generate greater problems, violence and frustration, and a greater resentment that will without fail worsen the country's crisis and the confrontation between Peruvians.

The executive branch has also been asked to respect free tuition. Castro Gomez indicated that President Alberto Fujimori himself has signed the Child's Rights Convention, which states: "Every child has the right to an education under the condition of the equality of opportunities." [passage omitted]

Castro Gomez stressed that Legislative Decree No. 699 does not promote the creation of new schools and that this is Congress' main concern and it must modify [the decree] in order to guarantee free tuition and give national education a new role.

The deputy made these remarks in the Civic Center at the end of a roundtable discussion on "National Identity and Infancy" that was organized by the Task Coordinating Board for the Rights of the Child (COTADENI) on the occasion of the Day of the Declaration of the Rights of the Child, being celebrated today. [passage omitted]

Decree Restructuring Police Amended

PY2711220291 Lima EL COMERCIO in Spanish 21 Nov 91 p A1

[Text] Decree No. 744 establishing a new structure for the Peruvian National Police [PNP] was published again yesterday in EL PERUANO, but with amendments. The official gazette says that, "because of printing shop composition mistakes," the first publication included articles that should not have been in the decree.

The new text maintains the articles establishing a single General Directorate as the PNP's top commanding organ. These articles eliminated the three superior directorates within each police institution.

The amendments affected Chapter VIII, dealing with executive and operational organs in the provinces. The first publication had omitted the office of the chief of borders, which now is included.

In turn, the publication that appeared yesterday no longer includes Article 75, which was included in the first publication and which, according to EL PERUANO, is not part of Decree No. 744.

Article 75 dealt with police personnel who are returned to active duty after a period in which they were waiting for assignment, whose professional level should match the time in which they were on active duty.

Mobilization Law for Emergencies Outlined

PY2211130891 Lima LA REPUBLICA in Spanish 13 Nov 91 p 7

[Text] The government has approved the National Mobilization Law [Ley de Movilizacion Nacional] that states that all Peruvians or foreigners domiciled in Peru will be at the disposal of the state in cases of natural emergencies and emergencies provoked by terrorism and drug trafficking.

In addition to individuals, assets and services—whether public or private—also will be considered as "resources for mobilization."

Under the shield of the special powers, Armed Forces members have been authorized to enter penal establishments when "events overcome the control of the personnel charged with external and internal custody."

And, the Military and Police Housing Fund [Fondo de Vivienda Militar y Policial] also has been created in each of the armed forces and police forces in order to contribute to the solution of the housing problem for active, on availability status, and retired personnel, and preference will be given to disabled personnel and their relatives.

In accordance with Legislative Decree No. 733, through national mobilization and demobilization "the nation's potential is prepared by permanently adopting provisions and measures for the use of the necessary resources in order to face natural emergencies and those provoked by terrorist criminals and drug trafficking that affect national security."

The National Mobilization Law is part of the "overall strategy" that the current government has implemented to fight terrorism and drug trafficking.

The objective is to fight these scourges "with the participation of the population through mobilization, a permanent process that will include all the country's activities."

The law is divided into seven chapters and 42 articles and it will take effect in 30 days.

The whereas of the law indicate that national mobilization is a permanent and overall process that consists of adapting the national power and potential to the requirement of national defense that will permit the opportune use and assignment of the necessary resources to face emergency situations that affect national security.

The document also indicates that national demobilization is an overall and gradual process that has the intention of returning the country to a normal situation once the emergency is over.

The implementation of mobilization and demobilization will be done through a supreme decree.

The executive branch, through the National Defense System, will be responsible for the planning, management, and implementation of national mobilization and demobilization.

According to the document, all individuals and legal entities are subject to the law without exception, including assets and services that national defense requires, with the exceptions that are contained in international treaties signed by Peru.

The expenditure demanded for the planning and preparing of national mobilization will be written into the republic's budget by the National Defense System's organizations.

The extraordinary funds will be financed by the Economy and Finance Ministry.

The chapter entitled: "Responsibilities" indicates that the ruling organization of the National Defense System will be known as director of mobilization and demobilization. [as published]

The Armed Forces' institutions will plan, prepare, and execute mobilization and demobilization in the military sector, and the National Intelligence Service will provide the required "intelligence."

Peruvians domiciled within and outside the country and foreigners domiciled in the country (if no international agreement prevents them) will be considered as resources for the mobilization.

Assets (renewable and nonrenewable natural resources, movable goods, real estate, and economic and financial resources) and essential and nonessential public services, whether public or private, also are included, and those who are called up to carry out their obligatory military service.

Legislative Decree No. 734 empowers the Armed Forces to enter the penitentiaries that are under the charge of INPE [National Institute of Prisons] when the control of the personnel charged with the internal and external control of said institutions is overrun by actions promoted or provoked by terrorist criminals.

At the Justice Ministry's request, Armed Forces members can enter the prisons to check on the system of visits to those who have been arrested for terrorism or drug trafficking, and to prevent the development of propaganda and political indoctrination activities in the prisons.

Law 'Endangering' IMF Agreements Approved

PY3011132491 Madrid EFE in Spanish 1714 GMT 28 Nov 91

[Text] Lima, 28 Nov (EFE)—The Peruvian Senate has approved a law which establishes several norms that affect the basis of the economic agreements that the Peruvian Government signed with the IMF, thus endangering them.

The law, promulgated on 27 November, leaves without effect a decree promulgated two weeks ago by President Alberto Fujimori which merged four Peruvian development banks into one by virtue of an agreement signed with the IMF.

The law also restores several subsidies, tax exemptions, and protectionist customs duties in favor of the agricultural sector and which the executive branch had annulled because they were considered favorable for food "monopolies."

The controversial law was approved even though Economy Minister Carlos Bolona had warned the Senate that if such norms were approved "they will ruin the government's economic program," which has controlled inflation and stabilized the economy.

According to experts, the legislator's decision will worsen the tense relations between the executive and

legislative branches, which deteriorated two weeks ago following the promulgation by the executive branch of several laws on the anti-subversive war that were described as "authoritarian" and "militarist" by most political parties.

Government Bans Fishing Monopolies

PY2211154091 Lima EL COMERCIO in Spanish 14 Nov 91 p A10

[Text] The law for the promotion of investment in the fishing area has forbidden all types of exclusionary conditions, restrictions, an any type of limitation or monopolistic practices in the production and sale of fish products, and in the rendering of fishing services.

The law states that the Fisheries Ministry may grant a license for the management and use of the state fishing infrastructure.

The law, which was issued as Decree No. 750, establishes that the Fisheries Ministry will design and implement a National Fish Consumption Program, for which purpose it will receive funds assigned by the Treasury, ministry allocations, donations, and other contributions from individuals or corporations.

Among other regulations, the law states that local or foreign ship owners may perform catching and processing operations—aboard ships sailing under foreign flags in Peruvian waters—only if the Fisheries Ministry, with the approval of Imarpe [Ocean Institute of Peru], declares that there are legally available fish resources. To this end, fishing permit fees will be paid and leasing, partnership, and joint fishing operation contracts, or other types of contracts, will be signed with national enterprises.

Venezuela

Perez Comments on Economic Measures

PA0812202591 Caracas Venezolana de Television Network in Spanish 0000 GMT 7 Dec 91

[Text] The national government will not cover up any crimes, said President Carlos Andres Perez after he condemned the actions of a handful of hooded individuals during the latest student demonstrations in various parts of the country.

Concerning Venezuela's economic situation, he said that the purpose of the adopted measures is to correct mistakes made in the past. [Begin Perez recording] The Venezuelan people were in bad shape. What has happened here is not a result of the economic measures but of mistakes made over the years that have destroyed our economy. The economic measures are an effort to correct the mistakes that have led to this economic situation. The terms remain the same. What we are experiencing should not be blamed on the economic measures, but on the mistakes we made in the past.

When I took office we had only $300 million in international reserves and a debt of $30 billion with a yearly payment of $5 billion. That is why we were in bad shape. We are now resolving these problems thanks to the economic measures being implemented in Venezuela and throughout Latin America. We are correcting our mistakes.

Other countries have been unable to come as far as we have. In Brazil, Peru, and Argentina the interest rate is not 38 percent annually but 40 percent monthly, and inflation is not 28 percent but 2,000 percent. This is the truth. Our problems are not the result of the economic measures; our problems are age-old. We made mistakes in the past, but the economic measures will correct them. We are building a good future for Venezuela. [end recording]

The president spoke in Barinas State where he inaugurated projects worth more than 89 million bolivares. The president was accompanied by Barinas Governor Rafael Rosales Pena; Education Minister Gustavo Rossen; Roberto Smith, transportation and communications minister; Health Minister Pedro Paez Camargo; Industry Minister Luis Penzini Fleury; and FEBE [expansion unknown] President Beatriz Ortez de Albornoz on his flight to Socopo to inaugurate two projects: the El Corozal elementary school, a 1,140-student facility worth 32 million bolivares, and the 30-bed Jose Leon Tapia hospital worth 30 million bolivares. The hospital will offer a wide range of hospital services.

The president's airplane later flew over the second phase of the Barinas-Barinitas intercommunal road on the Jose Antonio Paez highway and Riberena Avenue. In the capital of Barinas State, the president visited Los Pozones neighborhood where he inaugurated the Dr. Leon Fortun Saavedra type-two urban mobile unit, which will provide medical attention to approximately 12,000 families. The unit cost over 27 million bolivares.

Perez Rejects Rumors of Cabinet Changes

PA0812223391 Madrid EFE in Spanish 0124 GMT 8 Dec 91

[Text] Caracas, 7 Dec (EFE)—Venezuelan President Carlos Andres Perez on 7 December denied that the government party, Democratic Action (AD, social democrat), has asked him to make changes in the cabinet.

During a news conference in Maracaibo (700 km west of Caracas), Perez said that the appointment or discharge of ministers "is the prerogative of the chief of state, who will do whatever is necessary in due time."

Perez' statements respond to rumors circulating in Venezuelan political circles concerning the AD's leadership demanding that the president modify his current neoliberal economic policies and make changes on his team.

Perez said he will always show the courtesy of consulting with "the government party leaders on this topic," but said that no changes have been planned thus far.

The Venezuelan president denied that there are officials in his cabinet who respond to the interests of certain economic groups, as the national press has said, and stressed that the government "will not accept, from any sector of the country, the kind of attitude that could hurt another sector or the national economy."

With regard to the hundreds of protest marches that have taken place in the country so far this year and the violent student demonstrations that have resulted in 10 deaths, including eight students, over the past month, Perez said that these incidents have forced the government to close schools until 7 January.

Perez said that there is no atmosphere or mood to produce national collective strikes in the country. However, he admitted that the citizens are worried about the economic adjustment measures implemented by his government since he took power in February 1989.

Perez signed an agreement with the IMF in 1989 whereby he promised to apply measures such as increasing interest rates and the price of public services and gasoline and liberalizing the price of products in the internal market and the exchange rates for bolivars and dollars.

During Perez' administration, inflation has jumped to 140 percent, an unprecedented figure in this petroleum exporting country used to annual rates close to 10 percent. With regard to the possible reappearance of irregular groups in the country—which had disappeared in the 1970's—Perez said that in Venezuela "there is no subversion, but there are subversive individuals, people who have still not gotten over the fever of those hotheads who believe that they can overthrow the government through violence."

Politicians Comment on Renewed Violence

PA0512041891 Caracas Venezolana de Television Network in Spanish 0000 GMT 5 Dec 91

[Excerpt] Humberto Celli, president of the Democratic Action Party [AD], has warned that we are living in dangerous times. This is because subversive elements are getting together in Venezuela to stage demonstrations, and cause disorder and lootings in an effort to seek a return to the years of subversion.

The current situation of violence that has been unleashed in several states of the country was the topic of discussion by the members of the AD National Directorate Committee, who attentively listened to Celli's speech. Celli voiced his concern over the reappearance of violence in our country, and advised the government to prepare to cope with these movements. Celli feels Venezuela is in dangerous times that both the government and AD should confront.

[Begin Celli recording] It seems as if subversive groups have regrouped, have evaluated the situation, and have found that there is an appropriate atmosphere for subverting public order. Perhaps the Venezuelan state dismantled its information and security organizations because it is accustomed to democracy and thought the threats of rebellions and coups were over. [end recording]

Former President Jaime Lusinchi also shares this concern. He believes that there are organized groups behind all of this violence.

[Begin Lusinchi recording] I think it is very clear. It is evident in all of the activities by these groups that are staging actions almost every day in many Venezuelan cities. I believe that Celli's call to attention is important and conveys a serious national concern. [end recording] [passage omitted]

Cuban Professor Requests Political Asylum

PA0512183891 Madrid EFE in Spanish 1937 GMT 3 Dec 91

[Text] Caracas, 3 December (EFE)—The Cuban Patriotic Board, an organization that opposes Fidel Castro's regime, has announced in Caracas that Avelino Jose Gonzalez Gomez, a 26-year-old Havana University professor, requested political asylum in Venezuela on 3 December.

Salvador Romani, president of the Cuban Patriotic Board's Caracas office, has announced that Gonzalez Gomez arrived in Caracas over the past weekend for a stopover on his way to Bogota, where he was scheduled to participate in an International Red Cross congress.

Until last week, Gonzalez Gomez was a professor of civil and family law at Havana University's Law School, as well as a director of the Cuban Red Cross.

According to the Cuban Patriotic Board, Gonzalo Gonzalez justified his exile by stating: "It was impossible to continue to live in a reactionary and unpopular regime such as Fidel Castro's, where the most basic human rights are trampled upon."